

# ANNUAL REPORT 2025



# Who We Are

REDHS sits on the traditional lands of the Dja Dja Wurrung Clans, and also provides services across the lands of the Taungurung and Yorta Yorta Peoples. We respect and acknowledge their unique Aboriginal cultural heritage and their role in this region and pay our respects to their ancestors, descendants and emerging leaders as the Traditional Owners of this Country.

Rochester and Elmore District Health Service (REDHS) was established on 1 November 1993 following the amalgamation of the Rochester and District War Memorial Hospital and the Elmore District Hospital.

REDHS is a public hospital under Schedule 1 of the *Health Services Act 1988* providing a broad range of services including acute, residential aged care and community care services to our catchment population of 6,700.

The responsible Minister for 1 July 2024 to 30 June 2025 is the Minister for Health, The Hon Mary-Anne Thomas.

## Our Vision

“Caring for our Community”, acknowledges that the community we live and work in is vitally important to us.

## Our Strategic Priorities 2020-2025

- 

**1 Building a Culture that Empowers**

  - 1.1 Ensure our staff are engaged, empowered and healthy
  - 1.2 Support our staff to provide the best care
  - 1.3 Attract the best staff with the right skills
- 

**2 Delivering Quality Care**

  - 2.1 Understand our community's health and wellbeing needs
  - 2.2 Use data and evidence to support innovation and investment
  - 2.3 Provide quality care focused on outcomes
- 

**3 Connecting with Community**

  - 3.1 Support healthier neighborhoods and community
  - 3.2 Connect our community with the right care and support
  - 3.3 Partner in our consumers care
- 

**4 Securing our Future**

  - 4.1 Environmentally sustainable initiatives
  - 4.2 Financially sustainable solutions
  - 4.3 Strategies to support a sustainable workforce

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**Values and behaviours:**

-  **R Reliability** Being trustworthy and performing consistently well
-  **E Engagement** Working collaboratively with people to address issues and create opportunities to bring about positive change
- D Diversity** Understanding that each individual is unique and respecting our individual differences
- H Hospitality** Receiving and treating all people in a warm, friendly, generous way.
- S Sustainability** Meeting our current needs without compromising the ability of future generations to meet their needs.

## Our Location



Front cover image: REDHS refurbished facility, completion of flood recovery rebuild, January 2025

## The Year in Review

Acute Ward	
Total Acute Ward Separations	43
Acute Ward Bed Days	439
Transition Care Bed Days	210
Transition Care Days - Community	749
Residential Aged Care	
Total Bed Days	7,569* Occupied 21,900 Available
Total Admissions	25*
Non-admitted Occasions of Service	
District Nursing	4,458
Urgent Care Centre	969
Radiology	0**
Drug & Alcohol Withdrawal Service	0**

\*Admissions recommenced February 2025 with the reopening of the Rochester campus.

Community Care			
Discipline	Face to face	Telehealth	Total
Allied Health			
Dietetics	232	32	264
Diabetes Education	0	0	0
Exercise Physiologist	508	1	509
Podiatry	2300	0	2300
Physiotherapy	330	0	330
Occupational Therapy	222	0	222
Social Work	304	57	361
Allied Health Assistance	80	0	80
Group Exercise Programs	292	0	292
AHA In home Exercise Programs	215	0	215
<b>Allied Health Support Total</b>			<b>4,573</b>
Community and In-Home Support			
Home Care	12496	0	12496
Property Maintenance	815	0	815
Meals on Wheels*	0**	0**	0**
Social Support Group	967	0	967
<b>Community &amp; In-Home Support Total:</b>			<b>14,278</b>

\*\* service has not been reinstated post floods.

## Available Services

- Acute Ward including 24/7/ Urgent Care Centre
- Cardiac Health Exercise Program
- Community Transport – in partnership with Royal Flying Doctor Service (RFDS) \*
- Dietetics
- District Nursing
- Exercise Physiology
- Group Fitness Programs
- Health Promotion
- Hearing Services
- Home Care Packages
- Home Care Services
- Meals on Wheels
- Mental Health Services
- National Disability Insurance Scheme Packages
- Occupational Therapy
- Palliative Care
- Physiotherapy
- Podiatry
- Property Maintenance
- Residential Aged Care
- Respite
- Service Coordination (Intake)
- Social Support Group
- Social Work
- Transition Care Program
- Volunteer Program

### STAFF YEARS OF SERVICE

Staff recognised for long-standing service in 2024-25.

10 years	Daneeta Ede, Jody Gavalakis
15 years	Kate Dewhurst
20 years	Rhonda Nalder, Jasmin Powles, Kim Powles
25 years	Pauline Jones, Susan Ludbey
35 years	Heather Wickham

*Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health.*

# ***A Message from the Chief Executive Officer and Board Chair***

It is a pleasure to present a joint report from the Board Chair and Chief Executive, to our communities, staff, volunteers and partners.

A momentous year with the completion of the flood restoration works after 27 months, and our residents, staff and services returning to site at the end of January 2025.

This important milestone was celebrated with a Community Open Day in December 2024, with over 200 people attending from the local community and beyond, enjoying a tour of the beautifully restored facility prior to re-opening.

We are grateful to everyone that helped us rebuild and recover, from our insurers, to the building team, project managers, many supplier and trades personnel, our staff and volunteers, our Board, various government agencies, other local care providers and many more. Everyone's contribution has been most generous and supportive. Thank you.

## **Strategic Priority 1: Building a Culture That Empowers**

Our people remain at the heart of what we do and what we hope to achieve. This commitment has been strongly reinforced through our recent consultation about our new strategic plan, highlighting the critical importance of rebuilding our workforce to not only re-establish our service profile, but to grow and expand so that we can best respond to the growing needs of our community.

Accordingly, we developed a recruitment strategy aimed at rebuilding our capacity through a range of national and international recruitment initiatives, complemented by a renewed student placement program and a Nurse Graduate Program. We also introduced an Enrolled Nurse Transition to Practice Program for those interested in pursuing the profession and expanded the scope of our training and development opportunities for all staff. Through these opportunities, we have seen three registered nurses complete their graduate year at REDHS and four employees commence their Enrolled Nurse Training program in June. Also, three staff (from clinical and non-clinical areas) successfully completed the Murray Leadership Program.

We have also strengthened our staff safety focus through the new appointment of an Occupational Health and Emergency Planning Coordinator. Targeted training was also introduced to help us learn how to prevent occupational violence in the workplace, but also how to best manage and respond, if required. Regrettably, occupational violence remains one of the highest safety risks for our staff, and training is a key part of our commitment to creating a safer and more supportive workplace for all our staff.

Many of our staff, leaders and board members attended a special, cultural competency training program that included both an on-site and on-country component at the historic Rocky Crossing, just outside Elmore. Through this program we deepened our understanding of our local history and culture helping us foster more inclusive and welcoming health and wellbeing practice and environment for our First Nations community. This initiative is part of REDHS broader strategy to deliver culturally safe healthcare services.

## **Strategic Priority 2: Delivering Quality Care**

We continue to focus on delivering the best possible care and experience for our community, promoting safe clinical practices and leading ongoing improvement and innovation.

Shortly after moving back to site, we introduced an innovative Virtual Inpatient Medical Model, which helped us reopen the overnight beds by enabling a shared on-call roster and care arrangements between our on-site and remote Visiting Medical Officers. This model is part of our broader Virtual Care Framework, which connect people to care if in-person services may not be easily accessible.

Our standard of care has been recognised by a number of accreditation agencies who visited us recently. As a result, we have been re-accredited with full compliance against the Aged Care Quality Standards, the National Standards for Disability Services and the National Safety and Quality Health Service Standards. A testament of the great work undertaken by our staff and the positive experience expressed by our patients, residents, national disability insurance participants and their families and friends.

REDHS is also participating in several Safer Care Victoria initiatives, including the Sepsis and Delirium projects. Through these types of projects, we share knowledge, resources, and expertise across the region, to help us continue to deliver best-practice, evidence-based care.

## **Strategic Priority 3: Connecting with Community**

We are committed to developing strong and effective partnerships with our consumer and others involved in their care. As we re-establish services, we make sure that our services are aligned to our community needs.

Re-opening of our residential aged care services as quickly as possible, is one example of how we are responding to our community's growing need for improved access to local residential aged care services.

We also continue to deliver a range of services in the home. For example, our home-based care program has grown by two more rounds per day compared to prior year.

Our capacity for Home Care Packages also grew, with REDHS now providing support to over 90 clients; the highest number we managed since taking on the program. This is almost twice as many clients compared to two years ago.

Allied Health services also increased by 18% and we hope to see even further growth in capacity through the recruitment of more allied health practitioners and assistants. We've also successfully implemented our Foot Care Assistant Model which now supports about 100 clients.

Work has commenced on our new Strategic Plan for 2025-2028, with extensive consultation carried out in our local community.

We also welcomed two new board directors in March in Jenna Matthews and Narelle Lindsay, their financial expertise and local community connection is an asset to our Board.

As a Board and Executive, we continue to focus on our strategic partnerships to ensure the longevity and viability of our health service that provides such a vital service to our broader community.

#### **Strategic Priority 4: Securing our Future**

Whilst we are continuing to work on the implementation of a levee around the hospital, the rebuild facilities are equipped with fixtures and fittings that help us deliver better functional and environmental sustainability outcomes

As we are rebuilding our staffing profile, we are also streamlining our business systems and processes to best support our operation. We also looked for improved benefits for our staff, transitioning to a new Salary packaging provider and a new Employee Assistance program provider.

We manage our resources with diligence and in alignment to our financial performance obligations.

#### **In closing**

We would like to acknowledge the ongoing work of the entire REDHS team for their dedication and willingness, to respond in a period where resilience and commitment were tested in extremely difficult conditions.

To this day, our team continues to go above and beyond to ensure our residents feel safe and loved and our local communities receive access to care and services despite the impact of the flood event. We could not be prouder of every single one of them and count ourselves privileged to work alongside them.

We also like to recognise the generous contribution from our donors and volunteers. Your commitment and support are gratefully appreciated, helping us deliver the best possible care to our community.



**Mary Manescu**  
Chief Executive Officer



**Chris White**  
Board Chair

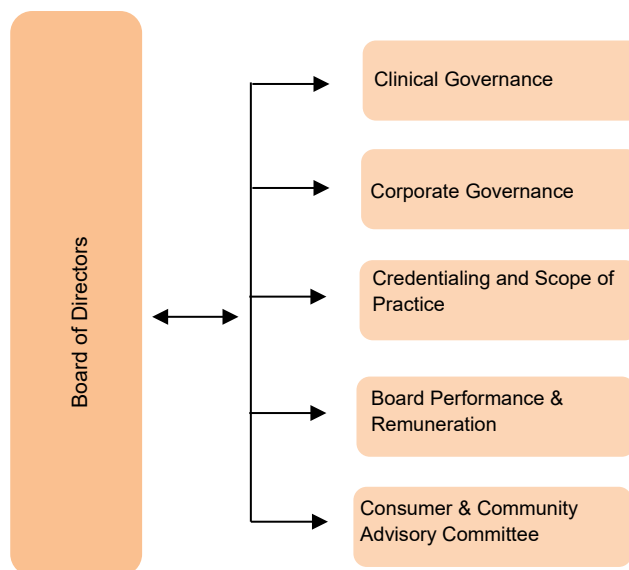
# Corporate Governance

## REDHS Board of Directors

Rochester and Elmore District Health Service (REDHS) is an incorporated body listed under Schedule 1 of the *Health Services Act 1988*. Board directors are recommended by the Minister and appointed by the Governor-In-Council for a term of up to three years and act in a voluntary capacity.

The strategic direction of REDHS is determined by the Board of Directors, which meets regularly with the Chief Executive Officer and executive staff to determine governance, compliance and policy. The Board is supported in its decision-making by a number of sub-committees.

Subject to the requirements of government and the Health Service By-Laws, the Board of Directors exercises decisions including the control of funds, determining the range of services to be provided, and the appointment of visiting medical officers and other senior staff.



## Board Directors

### **Chris White**

*Board Chair*

Date appointed: 01.07.2018

### **Brad Drust**

*Deputy Chair*

Date appointed: 1.7.2020

### **Jim Brooks**

*Treasurer*

Date appointed 1.7.2019

### **David Rosaia**

*Chair – Credentialing & Scope of Practice*

Date appointed 26.04.2017

### **Emma Millard**

*Chair – Clinical Governance*

Date appointed 1.7.2022

### **Anne-Marie Kelly**

Date appointed: 1.7.2023

### **Melissa Silk**

Date appointed: 1.7.2024

### **Jenna Matthews**

Date appointed: 12.3.2025

### **Narelle Lindsay**

Date appointed: 12.3.2025

Board Committee	Clinical Governance Committee	Corporate Governance Committee	Credentialing and Scope of Practice Committee	Performance and Remuneration Committee	Community and Consumer Advisory Committee
Christopher White	✓		✓	✓	
Bradley Drust	✓			✓	✓
Jim Brooks		✓	✓	✓	✓
David Rosaia		✓	✓		
Emma Millard	✓	✓*	✓		
Anne-Marie Kelly	✓			✓	✓
Melissa Silk	✓				✓
Jenna Matthews		✓**			
Narelle Lindsay		✓**			

\* vacated Corporate Governance Committee on 24/3/2025 \*\* joined Corporate Governance Committee on 24/3/2025

# Key Personnel

## EXECUTIVE

### Chief Executive Officer

Mary Manescu  
(11 November 2024 - current)

Darren Clark  
(1 July – 10 November 2024) (Interim)

### Director Clinical Operations

Meaghan Douglas  
(16 June 2025 - current)

### Director Clinical Services

Meaghan Douglas  
(20 January 2025 – 15 June 2025) (Interim)

Darren Clark  
(11 November 2024 – 6 April 2025)

Melissa Seelenmeyer  
(1 July 2024 – 10 November 2024) (Acting)

### Director Medical Services

Dr Ka Chun Tse  
(1 July 2024 – current)

### Director Community Care

Mebin Baby  
(1 July 2024 – current)

### Director Corporate Services

Richard Morrison  
(1 July 2024 – current)

### Director People and Culture

Vicki Winwood  
(1 July 2024 – current)



## REDHS ORGANISATIONAL STRUCTURE



Improving equitable access to healthcare and wellbeing	
<p><i>Ensure that Aboriginal people have access to a health, wellbeing and care system that is holistic, culturally safe, accessible, and empowering.</i></p> <p><i>Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.</i></p>	
Goal	
<p>MC2, MC 3 - Enhance the provision of appropriate and culturally safe services, programs, and clinical trials for and as determined by Aboriginal people, embedding the principles of self-determination.</p>	
Health Service Deliverables	Achievements/Outcome
<p>MC2 Identify and prioritise the health, wellbeing and service needs of the Aboriginal catchment population and service users - including improved patient identification, discharge planning and outpatient care</p>	<p><b>Status: Ongoing</b></p> <p>Staff and leadership attended cultural awareness training and Asking the Question training delivered by Murray PHN in 2024 and 2025.</p> <p>Implementation of posters in the Urgent Care Centre waiting area, reception and other waiting areas to encourage 'safe disclosure'.</p>
<p>MC2 Identify specific actions and responsibilities for REDHS to support the health and wellbeing needs of out Aboriginal catchment population as a member of the Campaspe Aboriginal Health Partnership Group.</p>	<p><b>Status: Ongoing</b></p> <p>A service directory with details of organisations providing Aboriginal health services, referral pathways and contact details relevant to our population cohort is published on REDHS intranet and available for staff to access as required.</p> <p>A referral pathway is in place with Bendigo &amp; District Aboriginal Co-operative (BDAC) to facilitate local Aboriginal communities' access to SEWB services onsite at REDHS or via telehealth through BDAC.</p>
Goal	
<p>MC4 - Expand the delivery of high-quality cultural safety training for all staff to align with the Aboriginal and Torres Strait Islander cultural safety framework. This training should be delivered by independent, expert, community-controlled organisations or a Kinaway or Supply Nation certified Aboriginal business</p>	
Health Service Deliverables	Achievements/Outcome
<p>Implement mandatory cultural safety training and assessment for all staff in alignment with the Aboriginal and Torres Strait Islander cultural safety framework, and developed and/or delivered by independent, expert, and community-controlled organisations, Kinaway or Supply Nation certified Aboriginal businesses.</p>	<p><b>Status: Ongoing</b></p> <p>Staff, leadership and board members attended tailored cultural competency training over two days (including on site and on country experience in and around Rochester) during May 2025. to deepen their understanding of Djaara Culture and history.</p> <p>This being complemented by the online Cultural Awareness Training which is included as mandatory training (via the Kineo platform) for all REDHS staff.</p>
A stronger workforce	
<p><i>There is an increased supply of critical roles that support safe, high-quality care. Victoria is a world leader in employee experience, with a focus on future roles, capabilities, and professional development. The workforce is regenerative and sustainable, bringing a diversity of skills and experiences that reflect the people and communities it serves. As a result of a stronger workforce, Victorians receive the right care at the right time, closer to home.</i></p>	
Goal	
<p>MD1 Improve employee experience across four initial focus areas to assure safe, high-quality care: leadership, health and safety, flexibility, and career development and agility</p>	
Health Service Deliverables	Achievements/Outcome
<p>Implement and/or evaluate a new/expanded wellbeing and safety program and its improvement on workforce wellbeing.</p>	<p><b>Status: Ongoing</b></p> <p>REDHS developed an action plan in response to the PMS results (Oct 2024). A dedicated resource was appointed to lead OHS and Emergency Planning, including implementation of new Workplace Safety requirements relating to 'psychosocial' needs.</p> <p>A Wellness day was also provided in 2024/25 FY, in recognition of staff contribution to the 2022 floods recovery efforts.</p>

Improving equitable access to healthcare and wellbeing	
<p><i>Ensure that Aboriginal people have access to a health, wellbeing and care system that is holistic, culturally safe, accessible, and empowering.</i></p> <p><i>Ensure that communities in rural and regional areas have equitable health outcomes irrespective of locality.</i></p>	
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<p>MD1 Improve employee experience across four initial focus areas to assure safe, high-quality care: leadership, health and safety, flexibility, and career development and agility</p>	
Health Service Deliverables	Achievements/Outcome
<p>Implement and/or evaluate a new/expanded wellbeing and safety program and its improvement on workforce wellbeing.</p>	<p><b>Status: Ongoing</b></p> <p>REDHS developed an action plan in response to the PMS results (Oct 2024). A dedicated resource was appointed to lead OHS and Emergency Planning, including implementation of new Workplace Safety requirements relating to 'psychosocial' needs.</p> <p>A Wellness day was also provided in 2024/25 FY, in recognition of staff contribution to the 2022 floods recovery efforts.</p>

Moving from competition to collaboration	
Share knowledge, information and resources with partner health and wellbeing services and care providers. This will allow patients to experience one health, wellbeing and care system through connected digital health information, evidence, and data flows, enabled by advanced interoperable platforms.	
Goal	
ME2 Engage in integrated planning and service design approaches while assuring consistent and strong clinical governance with partners to connect the system to deliver seamless and sustainable care pathways and build sector collaboration.	
Health Service Deliverables	Achievements/Outcome
Reviewing specialist workforce requirements at a regional or sub-regional level and developing a shared workforce model, including coordinating efforts to attract and retain workforce at a regional or sub-regional level.	<p><b>Status: Achieved</b></p> <p>REDHS is actively engaging with other health services in the region on a number of shared workforce initiatives:</p> <ul style="list-style-type: none"> <li>- Short term leave cover from Kyabram District Health (for podiatry) and Echuca Regional Health (for Dietetics)</li> <li>- KDHS is also providing clinical education support.</li> <li>- REDHS is supporting KDHS with OT workforce while they are in a recruitment phase.</li> </ul>

## Performance Against Statement of Priorities (Part B)

### HIGH QUALITY AND SAFE CARE

Key performance measure	Target	Result
<b>Infection prevention and control</b>		
Percentage of healthcare workers immunised for influenza	94%	98%
<b>Adverse events</b>		
Percentage of reported sentinel events for which a root cause analysis (RCA) report was submitted within 30 business days from notification of the event	All RCA reports submitted within 30 business days	No sentinel events occurred during the year
<b>Aged Care</b>		
Public sector residential aged care services overall star rating	Minimum rating of 3 stars	Star ratings suspended whilst services delivered offsite due to flood recovery.
<b>Patient Experience</b>		
Percentage of patients who reported positive experiences of their hospital stay	95%	N/A*
<b>Aboriginal Health</b>		
The gap between the number of Aboriginal patients who discharged against medical advice <sup>2</sup> compared to non-Aboriginal patients	0%	0%

\*Less than 10 responses were received for the period due to the relative size of the Health Service.

Note: The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health

Part C: State Funding (Modelled Budget) can be found on p 21.

### PEOPLE MATTER SURVEY

Key performance measure	Target	Result
<b>Organisational Culture</b>		
People matter survey – Percentage of staff with an overall positive response to safety culture survey questions.	80%	71%

## WORKFORCE DATA

Recruitment, selection and employment at REDHS comply with employment conditions as specified in relevant Health Awards and Enterprise Bargaining Agreements. The employment of staff satisfies equal employment opportunity requirements, legislative and moral obligations and terms and conditions of the *Fair Work Act 2009*, *Public Administration Act 2004*, *Victorian Charter of Human Rights and Responsibilities 2006*, *Equal Opportunity Act 2010*. All employees have been correctly classified in workforce data collections.

Hospitals labour category	June current month FTE		Average Monthly FTE	
	2024	2025	2024	2025
Nursing	40.8	41.81	43.35	34.78
Administration and Clerical	9.28	28.38	7.39	21.13
Medical Support	-	26.71*	-	17.18*
Hotel and Allied Services	20.22	25.82	20.64	18.87
Sessional Clinicians	0.06	0.11	0.01	0.10
Ancillary Staff (Allied Health)	24.61	4.69	24.76	13.49
<b>Totals</b>	<b>95.67</b>	<b>127.52</b>	<b>96.15</b>	<b>105.55</b>

\* note there are new data reporting categories which reflect the updated breakdown in 2024/25

## WORKFORCE INCLUSION POLICY

In 2024, REDHS continued to advance its commitment to gender equality and workforce inclusion, guided by the principles of the *Gender Equality Act 2020*. While the 2022 flood emergency temporarily disrupted hospital operations and delayed the implementation of some planned actions, REDHS has since resumed its strategic focus on diversity and inclusion.

Key developments include:

- Appointment of a Diversity and Inclusion Officer in January 2024, tasked with completing outstanding actions under the Gender Equality Action Plan (GEAP) and embedding inclusive practices across the organisation.
- Reactivation of the Health Care That Counts Committee, which continues to oversee GEAP implementation and monitor progress against workplace gender equality indicators.
- Renewed engagement with priority cohorts, including Aboriginal and Torres Strait Islander peoples, and other culturally and linguistically diverse groups, through improved referral pathways and support systems.
- Strengthened leadership accountability, supported flexible work arrangements, and promoted respectful workplace behaviours. These efforts align with our Gender Equality Action Plan and reflect our dedication to creating a safe, fair, and inclusive environment for all staff.

REDHS acknowledges that the flood event created unavoidable delays in some initiatives. These have since been recalibrated, and the organisation remains committed to achieving its long-term gender equality objectives through sustained action and inclusive leadership.

## OCCUPATIONAL HEALTH AND SAFETY

Occupational Health & Safety Statistics	2022-23	2023-24	2024-25
The number of reported hazards/ incidents for the year per 100 FTE	29.2	22.88	36
The number of 'lost time' standard WorkCover claims for the year per 100 FTE	1.94	2.08	2.38
The average cost per WorkCover claim for the year ('000)	\$25,117	\$9,312	\$24,776

There was one premium impacting claims in 2024/25. We continue to focus on injury prevention and recovery at work to minimise the risk of incidents occurring and ensure a positive return to work outcome when they do occur. There were no fatalities at REDHS in 2024/25.

## OCCUPATIONAL VIOLENCE

Occupational Violence Statistics	2024-25
Workcover accepted claims with an occupational violence cause per 100 FTE	0
Number of accepted Workcover claims with lost time injury with an occupational violence cause per 1,000,000 hours worked.	0
Number of occupational violence incidents reported	4
Number of occupational violence incidents reported per 100 FTE	3.37
Percentage of occupational violence incidents resulting in a staff injury, illness or condition	0

## Disclosures Required Under Legislation

### **Freedom of Information Act 1982**

The *Freedom of Information Act 1982* provides the public with a means to obtain information held by the Rochester and Elmore District Health Service. During 2024/25, REDHS received nine applications. Of these requests, nil was from Members of Parliament, nil from the media and the remainder from the general public.

REDHS made nine FOI decisions during the 12 months ended 30 June 2025. There were eight decisions made within the statutory time periods. Of the decisions made outside time, one was made within a further 45 days and no decisions were made in greater than 45 days.

Of the total decisions made, three granted access to documents in full, nil granted access in part and nil denied access in full.

No decisions were made after mandatory extensions had been applied or extensions were agreed upon by the applicant. Of requests finalised, the average number of days over / under the statutory time (including extended timeframes) to decide the request was 16 days.

During 2024-25, no requests were subject to a complaint/internal review by the Office of the Victorian Information Commissioner.

No requests progressed to the Victorian Civil and Administrative Tribunal (VCAT).

Information regarding how to make a Freedom of Information request, including fees and charges, can be found at [www.redhs.com.au](http://www.redhs.com.au). Further advice can also be obtained by contacting REDHS Freedom of Information Officer on (03) 5484 4400.

### **Public Interest Disclosure Act 2012**

The *Public Interest Disclosure Act 2012* provides for the protection of persons who make a public interest disclosure under the Act from detrimental action by officers, members, employees and contractors of Rochester and Elmore District Health Service.

REDHS has policies and procedures in place to protect people against action that might be taken against them if they choose to make a public interest disclosure.

The policy is accessible to staff via REDHS intranet and publicly available at [www.redhs.com.au](http://www.redhs.com.au). No applicable disclosures were made during 2024/25.

There were no disclosures notified to the IBAC under section 21(2) in 2024-25.

### **Local Jobs First Act 2003**

No projects undertaken by Rochester and Elmore District Health Service during 2024-25 met the threshold for Local Jobs First Policy application. As such, no Local Industry Development Plans were required or submitted.

### **Safe Patient Care Act 2015**

REDHS has no matters to report in relation to its obligations under section 40 of the *Safe Patient Care Act 2015*.

### **Building Act 1993**

Rochester and Elmore District Health Service ensures that all buildings, plant and equipment in its control are maintained and operated according to the statutory requirements of the *Building Act 1993* as well as the relevant provision of the National Construction Code.

The flood restoration and associated works were completed and the building reoccupied in January 2025. The certificates of final inspection were issued for the associated four building permits.

As part of the reoccupation process, the health service completed an Essential Safety Measures Audit as governed by the *Building Regulations 2006*.

This covered such items as:

- Testing of fire equipment including detectors, hydrants, static water storage, pumps and fire doors
- Inspection and testing of exit signs
- Inspection and testing of emergency lighting
- Inspection and testing of mechanical ventilation

There have been no emergency orders or building orders issued in relation to buildings

The flood recovery works returned the main hospital building to conformity with building standards during the reporting period

### **National Competition Policy**

Rochester and Elmore District Health Service continues to comply with the National Competition Policy.

In addition, the Competitive Neutrality Policy Victoria principles has been applied to all relevant business activities.

There have been no changes in the organisation's application of the Competitive Neutrality policy since the previous year.

### **Carers Recognition Act 2012**

In accordance with the *Carers Recognition Act 2012*, Rochester and Elmore District Health Service has taken all practical measures to comply with its obligations under the Act. These include:

- promoting the principles of the Act to people in care relationships who receive our services and to the wider community by providing links to state government resource materials on our website.
- ensuring our staff have an awareness and understanding of the care relationship principles set out in the Act
- considering the care relationships principles set out in the Act when setting policies and providing services (e.g. reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act).

## **Environmental Performance**

This Appendix details mandatory indicators for Tier 3(a) public sector entities.

<i>Indicator Title</i>	<i>2022/23</i>	<i>2023/24</i>	<i>2024/25</i>
<b>EL1 - Total electricity consumption segmented by source</b>			
Purchased	367.42	139.35	423.84
Self-Generated	192.88	193.62	0
<b>EL1 Total electricity consumption [MWh]</b>	<b>560.30</b>	<b>332.97</b>	<b>423.84</b>
<b>EL2 - On-site electricity generated segmented by usage and source</b>			
Solar consumption behind the meter	192.88	193.62	0
Solar exported	0		0
<b>EL2 Total on site-electricity generated [MWh]</b>	<b>192.88</b>	<b>192.88</b>	<b>0</b>
<b>EL3 - On-site installed generation capacity segmented by source</b>			
Diesel Generator	0.45	0.45	0.45
Solar	0.15	0.15	0.15
<b>EL3 Total On-site installed generation capacity [MW]</b>	<b>0.60</b>	0.60	0.60
<b>EL4 - Total electricity offsets segmented by offset type</b>			
LGCs voluntarily retired on the entity's behalf	0	0	0
Green Power	0	0	0
RPP (Renewable Power Percentage in the grid)	69.08	26.13	77.25
Certified climate active carbon neutral electricity purchased	0	0	0
<b>EL4 Total electricity offsets [MWh]</b>	<b>69.08</b>	<b>26.13</b>	<b>77.25</b>

Indicator Title	2022/23	2023/24	2024/25
<b>F1 - Total fuels used in buildings and machinery segmented by fuel type [MJ]</b>			
Natural gas	1546648.2	157129	1544518
<b>F2 - Greenhouse gas emissions from stationary fuel consumption segmented by fuel type</b>			
Natural gas	79.70	8.10	12.95
<b>T1 - Total energy used in transportation within the entity segmented by fuel type and vehicle category</b>			
Non-executive fleet - Gasoline	633,623.60	179,077.90	83,674
Petrol	633,623.60	179,077.90	83,674
Non-executive fleet - E10			0
Petrol (E10)			0
Non-executive fleet - Diesel	63,261.30	145,422.00	48,273.10
Diesel	63,261.30	145,422.00	48,273.10
<b>Total energy used in transportation (vehicle fleet) [MJ]</b>	<b>696,884.90</b>	<b>324,499.90</b>	<b>131,947.10</b>
<b>T2 - Number and proportion of vehicles in the organisational boundary segmented by engine/fuel type and vehicle category</b>			
Petrol	11	6	6
Diesel	4	6	6
Hybrid	2	2	2
Electric	0	10	10
<b>Total</b>	<b>17</b>	<b>24</b>	<b>24</b>
<b>T3 - Greenhouse gas emissions from vehicle fleet segmented by fuel type and vehicle category</b>			
Non-executive fleet - Gasoline	42.85	12.11	5.66
Petrol	42.85	12.11	5.66
Non-executive fleet - E10	0	0	0
Petrol (E10)			0
Non-executive fleet - Diesel	4.45	10.24	3.40
Diesel	4.45	10.24	3.40
<b>Total Greenhouse gas emissions from transportation (vehicle fleet) [tonnes CO2-e]</b>	<b>47.30</b>	<b>22.35</b>	<b>9.06</b>
<b>T4 - Total distance travelled by commercial air travel</b>			
	4,028km	Nil	Nil
<b>E1 - Total energy usage from fuels</b>			
	2243533.10	481,628.90	383,162.60
<b>E2 - Total energy usage from electricity</b>			
	2017081.94	1198687.54	1525835.27
<b>E3 - Total energy usage segmented into renewable and non-renewable sources</b>			
Renewable	943037.56	1198687.54	278,109.67
Non-renewable (E1 + E2 - E3 Renewable)	3317577.48	1198687.54	1,630,888.2
<b>E3 Total energy usage segmented by renewable and non-renewable sources [MJ]</b>	<b>4260615.04</b>	<b>1198687.54</b>	<b>1908997.87</b>
<b>E4 - Units of energy used normalised by FTE, headcount, floor area, or other entity or sector specific quantity</b>			
Energy per unit of Aged Care OBD [MJ/Aged Care OBD]	204.61	144.13	331.54
Energy per unit of LOS [MJ/LOS]	4,739.00		6,191.81
Energy per unit of Separations [MJ/Separations]	40,496.93		39,490.02
Energy per unit of floor space [MJ/m2]	531.82	202.33	265.19
<b>B1 - Discuss how environmentally sustainable design (ESD) is incorporated into newly completed entity-owned buildings</b>			
N/A			
<b>B2 - Discuss how new entity leases meet the requirement to preference higher-rated office buildings and those with a Green Lease Schedule</b>			
N/A			
<b>B3 - NABERS Energy ratings of newly completed/occupied entity-owned office buildings and substantial tenancy fit-outs</b>			
N/A			

Indicator Title	2022/23	2023/24	2024/25
B4 - Environmental performance ratings of newly completed entity-owned non-office building or infrastructure projects or upgrades with a value over \$1 million, where these ratings have been conducted			
N/A			
W1 - Total units of metered water consumed by water source			
Potable water [kL]	4400.574	1,291.99	1,046.18
W2 - Units of metered water consumed normalised by FTE, headcount, floor area, or other entity or sector specific quantity			
Water per unit of Aged Care OBD [kL/Aged Care OBD]	0.25	0.66	0.20
Water per unit of LOS [kL/LOS]	5.85	0	3.65
Water per unit of Separations [kL/Separations]	50.01	0	23.25
Water per unit of floor space [kL/m2]	0.66	0.93	0.16
WR1 - Total units of waste disposed of by disposal method and material type / waste stream			
<b>WR1 Total units of waste disposed of by waste stream and disposal method [kg]</b>			
<b>Landfill (total)</b>			
General waste	56,376.00	0*	0
<b>Offsite treatment</b>			
Clinical waste - incinerated	12.00	0	0
Clinical waste - sharps	80.61	28.78	6.36
Clinical waste - treated	461.71	747.58	131.46
<b>Recycling/recovery (disposal)</b>			
Cardboard	6,187.50	0*	0
Grease traps		N/A	0
Paper (confidential)			0
<b>Total units of waste disposed [kg]</b>	<b>63,117.82</b>	<b>776.36</b>	<b>137.81</b>
<b>WR1 Total units of waste disposed of by waste stream and disposal method [%]</b>			
<b>Landfill (total)</b>			
General waste	89.32%	0*	0
<b>Offsite treatment</b>			
Clinical waste - incinerated	0.02%	0*	0
Clinical waste - sharps	0.13%	3.71%	4.61%
Clinical waste – treated	0.73%	96.29%	95.39%
<b>Recycling/recovery (disposal)</b>			
Cardboard	9.80%	0*	0
Grease traps	89.32%	0*	0
Paper (confidential)			0
WR3 - Total units of waste disposed normalised by FTE, headcount, floor area, or other entity or sector specific quantity, by disposal method			
Total waste to landfill per PPT [(kg general waste)/PPT]	3.09	3	0
Total waste to offsite treatment per PPT [(kg offsite treatment)/PPT]	0.03	0.08	0.02
Total waste recycled and reused per PPT [(kg recycled and reused)/PPT]	0.34	0	0
WR4 - Recycling rate			
Weight of recyclable and organic materials [kg]	6,187.50	0	0
Weight of total waste [kg]	63,117.82	776.36	137.81
<b>Recycling rate [%]</b>	<b>9.80%</b>	<b>0%</b>	<b>0%</b>
WR5 - Greenhouse gas emissions associated with waste disposal			
tonnes CO2-e	74.00	1.01	0.18
G1 - Total scope one (direct) greenhouse gas emissions			
Carbon Dioxide	126.63	30.31	21.93
Methane	0.17	0.02	0.03
Nitrous Oxide	0.20	0.11	0.05
<b>Total</b>	<b>127.00</b>	<b>30.44</b>	<b>22.00</b>
Indicator Title	2022/23	2023/24	2024/25

Indicator Title	2022/23	2023/24	2024/25
<b>Scope 1 GHG emissions from stationary fuel (F2 Scope 1) [tonnes CO2-e]</b>	<b>79.70</b>	8.10	12.95
<b>Scope 1 GHG emissions from vehicle fleet (T3 Scope 1) [tonnes CO2-e]</b>	<b>47.30</b>	<b>22.35</b>	<b>9.06</b>
<b>Medical/Refrigerant gases</b>			
<b>Total scope one (direct) greenhouse gas emissions [tonnes CO2e]</b>	<b>127.00</b>	<b>30.45</b>	<b>22.00</b>
G2 - Total scope two (indirect electricity) greenhouse gas emissions			
Electricity	252.40	91.25	280.74
G3 - Total scope three (other indirect) greenhouse gas emissions associated with commercial air travel and waste disposal			
Commercial air travel	0	0	0
Waste emissions (WR5)	74.00	1.01	0.18
Indirect emissions from Stationary Energy	38.71	11.94	39.13
Indirect emissions from Transport Energy	11.99	5.60	2.27
Paper emissions	0	0	0
Any other Scope 3 emissions	7.45	10.41	0
<b>Total scope three greenhouse gas emissions [tonnes CO2e]</b>	<b>132.16</b>	18.55	41.58

## ***Additional Information Available on Request***

Details in respect of the items listed below have been retained by the health service and are available to the relevant Ministers, Members of Parliament and the public on request (subject to the freedom of information requirements, if applicable):

- Declarations of pecuniary interests have been duly completed by all relevant officers.
- Details of shares held by senior officers as nominee or held beneficially in a statutory authority or subsidiary.
- Details of publications produced by REDHS, which can be located at [www.redhs.com.au](http://www.redhs.com.au)
- Details of changes in prices, fees, charges, rates and levies charged by the entity.
- Details of any major external reviews carried out on the entity.
- Details of major research and development activities undertaken by the entity that are not otherwise covered either in the report of operations or in a document that contains the financial statements and report of operations.
- Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.
- Details of major promotional, public relations and marketing activities undertaken by the Health Service to develop community awareness of the Health Service and its services.
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- A general statement on industrial relations within the Health Service and details of time lost through industrial accidents and disputes, which is not otherwise detailed in the report of operations.
- A list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- Details of all consultancies and contractors engaged; services provided; and expenditure committed for each engagement.

This information is available on request from:

Chief Executive Officer  
REDHS, PO Box 202, Rochester Vic 3561  
Phone: (03) 5484 4400  
Email: [rochhosp@redhs.com.au](mailto:rochhosp@redhs.com.au) Web: [www.redhs.com.au](http://www.redhs.com.au)

### **Consumer Feedback**

We welcome feedback in regard to the quality of our service so that we can continuously improve. Feedback forms are available throughout the health service. Alternatively, feedback can be provided on line or emailed directly to the address below or via [www.redhs.com.au](http://www.redhs.com.au)

Compliments, suggestions and complaints should be directed to:

Chief Executive Officer  
REDHS, PO Box 202, Rochester Vic 3561  
Phone: (03) 5484 4400  
Email: [myvoice@redhs.com.au](mailto:myvoice@redhs.com.au) Web: [www.redhs.com.au](http://www.redhs.com.au)

# Community Involvement and Support

## Sponsorship, Donations and Bequests

Sponsor/Donor/Bequest	Amount
Rochester Lions Club	\$300
Rhys Jenkins	\$400
<b>Total</b>	<b>\$700</b>

## Your Community – Your Health Service

You can help in many ways...

Donations and bequests play a vital part in the provision of services to residents in our community. REDHS relies on the generosity of individuals and organisations within our community.

You can help by:

- Donating towards a specific item
- Contributing to the cost of equipment
- Remembering REDHS in your Will
- Joining our volunteer program

Donations in memory of loved ones or in lieu of flowers are appreciated. Envelopes are available for this purpose. Receipts are issued, acknowledgement letters written, and when totals are known, summary letters are mailed to the decedent's next of kin.

## Attestations & Declarations

### Responsible Bodies Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present the report of operations for Rochester and Elmore District Health Service for the year ending 30 June 2025.



**Chris White, Board Chair**  
**Rochester and Elmore District Health Service**

25 August 2025

### Financial Management Compliance Attestation

I, Chris White, on behalf of the Responsible Body, certify that Rochester and Elmore District Health Service has no Material Compliance Deficiency with respect to the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.



**Chris White, Board Chair**  
**Rochester and Elmore District Health Service**

25 August 2025

### Data Integrity Declaration

I, Mary Manescu, certify that Rochester and Elmore District Health Service has put in place appropriate internal controls and processes to ensure that reported data accurately reflects actual performance. Rochester and Elmore District Health Service has critically reviewed these controls and processes during the year.



**Mary Manescu, Accountable Officer**  
**Rochester and Elmore District Health Service**

25 August 2025

## **Integrity, Fraud and Corruption Declaration**

I, Mary Manescu, certify that Rochester and Elmore District Health Service has put it place appropriate internal controls and processes to ensure that Integrity, fraud and corruption risks have been reviewed and addressed at Rochester and Elmore District Health Service during the year.



**Mary Manescu, Accountable Officer**  
**Rochester and Elmore District Health Service**  
25 August 2025

## **Conflict of Interest Declaration**

I, Mary Manescu, certify that Rochester and Elmore District Health Service has put in place appropriate internal controls and processes to ensure that it has implemented a 'Conflict of Interest' policy consistent with the minimum accountabilities required by the VPSC. Declaration of private interest forms have been completed by all executive staff within Rochester and Elmore District Health Service and members of the board, and all declared conflicts have been addressed and are being managed. Conflict of interest is a standard agenda item for declaration and documenting at each executive board meeting.



**Mary Manescu, Accountable Officer**  
**Rochester and Elmore District Health Service**  
25 August 2025

## **Compliance with Health Purchasing Victoria (HPV) Health Purchasing Policies**

I, Mary Manescu, certify that Rochester and Elmore District Health Service has put in place appropriate internal controls and processes to ensure that it has materially complied with all requirements set out in the HSV Purchasing Policies including mandatory HSV collective agreements as required by the *Health Services Act 1988 (Vic)* and has critically reviewed these controls and processes during the year.



**Mary Manescu, Accountable Officer**  
**Rochester and Elmore District Health Service**  
25 August 2025

## **Gender Equality Act 2020**

REDHS continues to foster an inclusive and diverse culture by raising awareness of gender equality and diversity within our workplace and in our local communities. REDHS has established a 'Health Care That Counts' Committee that oversees the implementation of our Gender Equality Action Plan.



**Mary Manescu, Accountable Officer**  
**Rochester and Elmore District Health Service**  
25 August 2025

## Asset Management Accountability Framework

The Asset Management Accountability Framework (AMAF) assists Victorian Public Sector agencies manage their asset portfolios and provide better services to Victorians.

REDHS compliance with AMAF was tested via internal audit in April 2024.

Performance against AMAF must be viewed in context with the ongoing flood restoration works that were being undertaken at that time.

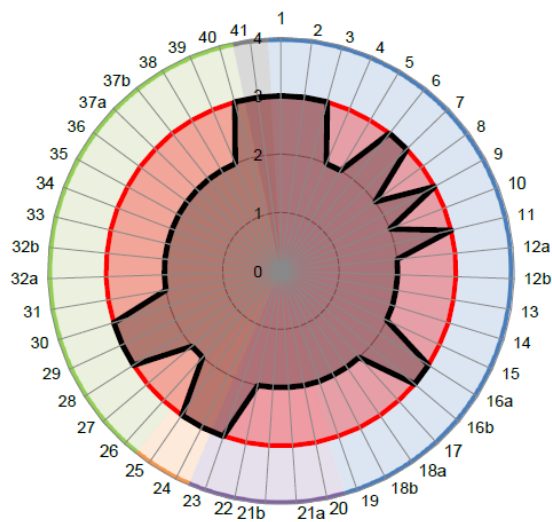
Although severely impacted by the October 2022 flood, REDHS met the target maturity level of competence (rating of 3 or above) for 17 of the 47 requirements; and were assessed as partially compliant for the remaining 30 requirements.

The deficiencies identified across the AMAF requirements related to:

- lack of an updated asset management strategy and plan
- no defined approach to monitoring and reporting on asset performance
- lack of up to date and useful Asset Information Management System
- lack of clearly defined approach for current asset maintenance activities.

With the restoration works and building handover process completed in January 2025, REDHS the development of a new Asset Management Strategy and Plan, update of the asset register and implementation of processes to support improvement in asset management practice.

A pictorial representation of REDHS' maturity assessment, based on the AMAF Compliance Tool is provided below:



Legend	
Status	Scale
Not Applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A

Target	141
Overall	111

**Mary Manescu, Accountable Officer**  
**Rochester and Elmore District Health Service**  
 25 August 2025

# Disclosure Index

The annual report of the *Rochester and Elmore District Health Services* is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the Department's compliance with statutory disclosure requirements.

Legislation Requirement		Page No.	Other reporting requirements		
<b>Standing Directions and Financial Reporting Directions</b>					
<b>Report of Operations</b>					
<b>Charter and purpose</b>			<b>1</b>		
FRD 22	Manner of establishment & the relevant Ministers	1	Reporting of outcomes from Statement of Priorities 2024-25	7	
FRD 22	Purpose, functions, powers and duties	1	Occupational Violence reporting	10	
FRD 22	Nature and range of services provided	2	<i>Gender Equality Act 2020</i>	17	
FRD 22	Activities, programs and achievements for the reporting period	2	Reporting obligations under the <i>Safe Patient Care Act 2015</i>	11	
FRD 22	Significant changes in key initiatives and expectations for the future	3	<b>Financial Statements</b>		
<b>Management and structure</b>			<b>Declaration</b>		
FRD 22	Organisational structure	6	SD 5.2.2	Declaration in financial statements	
FRD 22	Workforce data/ employment and conduct principles	10	<b>Other requirements under Standing Directions 5.2</b>		
FRD22	Workforce inclusion policy	10	SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	
FRD 22	Occupational Health and Safety	10	SD 5.2.1(a)	Compliance with Standing Directions	16
<b>Financial and other information</b>			SD 5.2.1(b)	Compliance with Model Financial Report	16
FRD 22	Summary of the financial results for the year	21	<b>Legislation</b>		
FRD 22	Significant changes in financial position during the year	21	<i>Freedom of Information Act 1982 (Vic) (FOI Act)</i>	11	
FRD 22	Operational and budgetary objectives and performance against objectives	21	<i>Building Act 1933</i>	11	
FRD 22	Subsequent events	21	<i>Public Interest Disclosures Act 2012</i>	11	
FRD 22	Details of consultancies under \$10,000	22	<i>Carers Recognition Act 2012</i>	12	
FRD 22	Details of consultancies over \$10,000	22	<i>Local Jobs Act 2023</i>	11	
FRD 22	Disclosure of government advertising expenditure	22	<i>Financial Management Act 1994</i>	16	
FRD 22	Disclosure of ICT expenditure	23			
FRD 22	Asset Management Accountability Framework	18			
FRD 22	Disclosure of emergency procurement	N/A			
FRD 22	Disclosure of social procurement activities under the Social Procurement Framework	23			
FRD 22	Disclosure of procurement complaints	23			
FRD 22	Disclosure of reviews and study expenses	23			
FRD 22	Disclosure of grants and transfer payments	23			
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	11			
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	11			
FRD 22	Application and operation of <i>Public Interest Disclosures Act 2012</i>	11			
FRD 22	Statement on National Competition Policy	12			
FRD 22	Application and operation of <i>Carers Recognition Act 2012</i>	12			
FRD 22	Additional information available on request	15			
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FRD 25	<i>Local Jobs First Act 2003</i> disclosures	11			
<b>Compliance attestation and declaration</b>					
SD 5.1.4	Financial Management Compliance attestation	16			
SD 5.2.3	Declaration in report of operations	1			
Attestation on Data Integrity		16			
Attestation on managing Conflicts of Interest		17			
Attestation on Integrity, Fraud and Corruption		17			
Compliance with HealthShare Victoria (HSV) Purchasing Policies		17			

# FINANCIAL REPORT 2025



# Financial Report 2024/25

## FINANCIAL INFORMATION

### PERFORMANCE AGAINST STATEMENT OF PRIORITIES

There were no significant changes in the financial position during 2024/25.

### PART A: STRATEGIC PRIORITIES

Refer to REDHS 2024/25 Report of Operations page 7 for details.

### PART B: PERFORMANCE PRIORITIES

#### EFFECTIVE FINANCIAL MANAGEMENT

Key performance measure	Target	Result*
<b>Finance</b>		
Operating result (\$K)	0.00	57
Adjusted current asset ratio	0.7 or 3% improvement from health service base target	1.99
Variance between forecast and actual Net result from transactions (NRFT) for the current financial year ending 30 June.	5% movement in forecast revenue and expenditure forecasts	Not achieved**

\*The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health."

\*\* variance target not met due to VMIA Insurance Claim compensation from October 2022 Flood event and tied funds for capital projects

### PART C: STATE FUNDING (MODELLED BUDGET)

Small Rural	2024/25 Activity Achievement*
Small Rural Acute	0
Small Rural Primary Health & HACC	823
Small Rural Residential Care	20,973

\* The data included in this annual report was accurate at the time of publication and is subject to validation by official sources from the Department of Health."

## FINANCIALS IN BRIEF

The table below is a summary of the financial results for 2024/25, from annual financial statements, with comparative results for the preceding four financial years.

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
OPERATING RESULT	57	3450	52	0	231
Total revenue	27,122	26,571	19,632	18,428	16,477
Total expenses	24,099	20,879	21,034	19,436	17,186
<b>Net result from transactions</b>	<b>3,023</b>	<b>5,692</b>	<b>-1,402</b>	<b>-1008</b>	<b>-709</b>
Total other economic flows	(140)	301	17	84	216
<b>Net result</b>	<b>2,883</b>	<b>5,993</b>	<b>-1,385</b>	<b>-924</b>	<b>-493</b>
Total assets	51,635	47,163	41,132	55,344	52,611
Total liabilities	10,300	8,711	11,807	11,205	11,369
<b>Net assets/ Total equity</b>	<b>41,335</b>	<b>38,452</b>	<b>29,325</b>	<b>44,139</b>	<b>41,242</b>

## RECONCILIATION OF NET RESULT FROM TRANSACTIONS AND OPERATING RESULT

	2024-25 \$'000	2023-24 \$'000
<b>Net operating result *</b>	<b>57</b>	<b>3,450</b>
Capital purpose income	6,416	4,008
Specific income	0	0
COVID 19 State Supply Arrangements - Assets received free of charge or for nil consideration under the State Supply	0	0
State supply items consumed up to 30 June 2025	0	0
Assets provided free of charge	0	0
Assets received free of charge	0	0
Expenditure for capital purpose	(909)	0
Depreciation and amortisation	(2,526)	(1,751)
Impairment of non-financial assets	0	0
Finance costs (other)	(15)	(15)
<b>Net result from transactions</b>	<b>3,023</b>	<b>5,692</b>

\* The Net operating result is the result which the health service is monitored against in its Statement of Priorities

### DETAILS OF CONSULTANCIES

#### Details of consultancies under \$10,000

In 2024/25, there were nil consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2024/25 in relation to these consultancies was \$0 (excl. GST).

#### Details of consultancies (at \$10,000 or greater)

In 2024/25 there were three consultancies where the total fees payable was \$10,000 or greater. The details are provided in the table below:

#### Consultancies over \$10,000

Consultant	Purpose	Start date	End date	Total approved project fee (exc. GST)	Expenditure 2024-25 (exc. GST)	Future expenditure (exc. GST)
EDG Projects Pty Ltd	Flood recovery works architecture and construction contract management	December 2022	March 2025	\$1,342,063.96	\$414,787.73	\$0
Dryside Engineering	Levee bank design and documentation	May 2025	June 2026	\$125,600	\$75,600	\$50,000
Kelloway Lonsdale P/L	Strategic Planning	April 2025	July 2025	\$22,902.35	\$15,363.57	\$7,538.78

This table is available on REDHS website.

### GOVERNMENT ADVERTISING CAMPAIGN

Nil reports.

## GRANTS AND TRANSFER PAYMENTS

Not applicable – Rochester and Elmore District Health Service did not administer any grants, transfer payments or Commercial-in-Confidence grants in 2024-25.

## INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) DISCLOSURE

The total ICT expenditure incurred during 2024/25 is \$630,898.22 excl. GST, with the details shown below:

Business as Usual (BAU) ICT expenditure	Non-Business as Usual (non-BAU) ICT Expenditure		
	Total of Operational and Capital Expenditure	Operational expenditure	Capital expenditure
Total (excluding GST)			
\$630,898.22	\$0	\$630,898.22	\$0

## SOCIAL PROCUREMENT ACTIVITIES AND COMMITMENTS

Flood recovery works and return to site has been the primary focus of the 2024/25 year. Existing social procurement arrangements have been maintained while there have been no further specific social procurement activities for the reporting period.

REDHS is committed to fostering social procurement and will be undertaking related planning and activities in the 2025/26 financial year.

Overall social procurement activities	2024–25
Number of social benefit suppliers engaged during the reporting period:	2
Total amount spent with social benefit suppliers (direct spend) during the reporting period (\$ GST exclusive):	\$10,125
Total number of mainstream suppliers engaged that have made social procurement commitments in their contracts with the Victorian Government:	0
Total number of contracts that include social procurement commitments:	0

## PROCUREMENT COMPLAINTS

REDHS did not receive any procurement complaints in 2024/25.

## REVIEWS AND STUDY EXPENSES

During 2024-25, there were no reviews or studies undertaken.

Name of the review (portfolio(s) and output(s) / agency responsible)	Reasons for review/study	Terms of reference/scope	Anticipated outcomes	Estimated cost for the year (excl. GST)	Final cost if completed (excl. GST)	Publicly available (Y/N) and URL
Nil						

# Financial Statements

## Financial Year ended 30 June 2025

### ***Board member's, accountable officer's, and chief finance & accounting officer's declaration***

The attached financial statements for Rochester and Elmore District Health Service have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and the financial position of Rochester and Elmore District Health Service at 30 June 2025.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 25 August 2025.

#### **Board member**



Christopher White  
Board Chair  
Rochester  
25 August 2025

#### **Accountable Officer**



Mary Manescu  
Chief Executive Officer  
Rochester  
25 August 2025

#### **Chief Finance & Accounting Officer**



Cameron Olsen  
Chief Finance & Accounting Officer  
Rochester  
25 August 2025

# Independent Auditor's Report

## To the Board of Rochester and Elmore District Health Service

<b>Opinion</b>	<p>I have audited the financial report of Rochester and Elmore District Health Service (the health service) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2025</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including material accounting policy information</li> <li>• Board member's, accountable officer's and chief finance &amp; accounting officer's declaration.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the health service as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards – Simplified Disclosures.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the health service in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants (and Independence Standards)</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other information</b>	<p>The Board of the health service is responsible for the Other Information, which comprises the information in the health service's annual report for the year ended 30 June 2025, but does not include the financial report and my auditor's report thereon.</p> <p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the health service is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the health service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the health service's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the health service's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the health service to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MELBOURNE  
29 August 2025

Simone Bohan  
*as delegate for the Auditor-General of Victoria*

**Rochester and Elmore District Health Service  
Comprehensive Operating Statement  
For the Financial Year Ended 30 June 2025**

		2025	2024
	Note	\$'000	\$'000
<b>Revenue and income from transactions</b>			
Revenue from contracts with customers	2.1	15,573	12,358
Other sources of income	2.1	10,547	12,851
Non-operating activities		179	156
Share of revenue from joint operations	8.6	823	1,206
<b>Total revenue and income from transactions</b>		<b>27,122</b>	<b>26,571</b>
<b>Expenses from transactions</b>			
Employee expenses	3.1	(13,972)	(12,644)
Finance costs	6.1	(15)	(15)
Depreciation	4.1(a)	(2,526)	(1,751)
Other operating expenses	3.1 (c)	(6,619)	(5,293)
Share of expenditure from joint operations	8.6	(967)	(1,175)
<b>Total Expenses from transactions</b>		<b>(24,099)</b>	<b>(20,879)</b>
<b>Net result from transactions - net operating balance</b>		<b>3,023</b>	<b>5,692</b>
<b>Other economic flows included in net result</b>			
Net gain on sale of non-financial assets		-	95
Other gain from other economic flows		4	50
Share of Other Economic Flows from Joint Arrangements		(144)	156
<b>Total other economic flows included in net result</b>		<b>(140)</b>	<b>301</b>
<b>Net result</b>		<b>2,883</b>	<b>5,993</b>
<b>Other economic flows - other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in property, plant and equipment revaluation surplus		-	3,134
<b>Total other comprehensive income</b>		<b>-</b>	<b>3,134</b>
<b>Comprehensive result</b>		<b>2,883</b>	<b>9,127</b>

This Statement should be read in conjunction with the accompanying notes.

**Rochester and Elmore District Health Service**  
**Balance Sheet**  
**As at 30 June 2025**

	Note	2025 \$'000	2024 \$'000
<b>Financial assets</b>			
Cash and cash equivalents	6.2	8,910	7,177
Receivables	5.1	5,851	3,543
<b>Total financial assets</b>		<b>14,761</b>	<b>10,720</b>
<b>Non-financial assets</b>			
Prepayments		225	115
Inventories		38	24
Share of assets in joint operations	8.6	1,026	1,433
Property, plant and equipment	4.1	35,585	34,871
<b>Total non-financial assets</b>		<b>36,874</b>	<b>36,443</b>
<b>Total assets</b>		<b>51,635</b>	<b>47,163</b>
<b>Liabilities</b>			
Payables	5.3	1,180	1,405
Contract liabilities		-	18
Borrowings	6.1	698	914
Employee benefits	3.1(b)	3,489	3,196
Other liabilities	5.4	4,204	2,327
Share of liabilities in joint operations	8.6	729	851
<b>Total liabilities</b>		<b>10,300</b>	<b>8,711</b>
<b>Net assets</b>		<b>41,335</b>	<b>38,452</b>
<b>Equity</b>			
Reserves		20,581	20,856
Contributed capital		7,370	7,370
Accumulated surplus		13,384	10,226
<b>Total equity</b>		<b>41,335</b>	<b>38,452</b>

This Statement should be read in conjunction with the accompanying notes.

**Rochester and Elmore District Health Service**  
**Cash Flow Statement**  
**For the Financial Year Ended 30 June 2025**

Note	2025 \$'000	2024 \$'000
<b>Cash Flows from operating activities</b>		
Operating Grants from Government - State	7,187	9,168
Operating Grants from Government - Commonwealth	4,807	4,912
Capital Grants from Government- State	2,572	1,241
Patient and Resident Fees Received	2,783	914
Donations and Bequests Received	1	210
GST received from ATO	47	622
Interest Received	175	156
Other Receipts	5,592	6,535
<b>Total receipts</b>	<b>23,164</b>	<b>23,758</b>
Payments to employees	(13,740)	(12,078)
Payments to suppliers and consumables	(1,810)	(2,436)
GST paid to ATO	(842)	(42)
Other payments	(4,066)	(5,847)
<b>Total payments</b>	<b>(20,458)</b>	<b>(20,403)</b>
<b>Net cash flows from/(used in) operating activities</b>	<b>2,706</b>	<b>3,355</b>
<b>Cash Flows from investing activities</b>		
Proceeds from sale of non-financial assets	-	95
Purchase of non-financial assets	(2,803)	(2,734)
<b>Net cash flows from/(used in) investing activities</b>	<b>(2,803)</b>	<b>(2,639)</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings and principal portion of lease liabilities	(47)	-
Repayment of accommodation deposits	(1,216)	(390)
Receipt of accommodation deposits	3,093	-
<b>Net cash flows from/(used in) financing activities</b>	<b>1,830</b>	<b>(390)</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>1,733</b>	<b>326</b>
Cash and cash equivalents at beginning of year	7,177	6,851
<b>Cash and cash equivalents at end of year</b>	<b>8,910</b>	<b>7,177</b>

6.2

This Statement should be read in conjunction with the accompanying notes.

**Rochester and Elmore District Health Service  
Statement of Changes in Equity  
For the Financial Year Ended 30 June 2025**

	Property, Plant and Equipment Revaluation Surplus \$'000	Restricted Specific Purpose Reserve \$'000	Contributed Capital \$'000	Accumulated Surplus \$'000	Total \$'000
<b>Balance at 1 July 2023</b>	<b>16,638</b>	<b>740</b>	<b>7,370</b>	<b>4,577</b>	<b>29,325</b>
Net result for the year	-	-	-	5,993	5,993
Other comprehensive income for the year	3,134	-	-	-	3,134
Transfers from/(to) accumulated surpluses	-	344	-	(344)	-
<b>Balance at 30 June 2024</b>	<b>19,772</b>	<b>1,084</b>	<b>7,370</b>	<b>10,226</b>	<b>38,452</b>
Net result for the year	-	-	-	2,883	2,883
Other comprehensive income for the year	-	-	-	-	-
Transfers from/(to) accumulated surpluses	-	(275)	-	275	-
<b>Balance at 30 June 2025</b>	<b>19,772</b>	<b>809</b>	<b>7,370</b>	<b>13,384</b>	<b>41,335</b>

This Statement should be read in conjunction with the accompanying notes.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**Structure**

**1.1 Basis of preparation**

**1.2 Material accounting estimates and judgements**

**1.3 Reporting entity**

**1.4 Economic dependency**

**Note 1 About this Report**

These financial statements represent the financial statements of Rochester and Elmore District Health Service for the year ended 30 June 2025.

Rochester and Elmore District Health Service is a not-for-profit entity established as a public agency on 1 November 1993 under the *Health Services Act 1998 (Vic)*. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

This section explains the basis of preparing the financial statements.

**Note 1.1 Basis of preparation**

These financial statements are general purpose financial statements which have been prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

Rochester and Elmore District Health Service is a Tier 2 entity in accordance with FRD 101. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. Rochester and Elmore District Health Service's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As Rochester and Elmore District Health Service is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective from 1 July 2024.

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs), which include interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Rochester and Elmore District Health Service.

The financial statements have been prepared on a going concern basis (refer to Note 1.4 Economic Dependency).

The financial statements are presented in Australian dollars.

The amounts presented in the financial statements have been rounded to the nearest thousand dollars. Minor discrepancies in tables between totals and sum of components are due to rounding.

The annual financial statements were authorised for issue by the Board of Rochester and Elmore District Health Service on 25 August 2025.

**Note 1.2 Material accounting estimates and judgements**

Management makes estimates and judgements when preparing the financial statements.

These estimates and judgements are based on historical knowledge and the best available current information and assume any reasonable expectation of future events. Actual results may differ.

Revisions to estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

The material accounting judgements and estimates used, and any changes thereto, are disclosed within the relevant accounting policy.

**Rochester and Elmore District Health Service**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 30 June 2025**

**Note 1.3 Reporting Entity**

The financial statements include all the controlled activities of Rochester and Elmore District Health Service.

Rochester and Elmore District Health Service's principal address is:

1 Pascoe Street  
Rochester, Victoria, 3561

**Note 1.4 Economic dependency**

Rochester and Elmore District Health Service is a public health service governed and managed in accordance with the *Health Services Act 1988* and its results form part of the Victorian General Government consolidated financial position. Rochester and Elmore District Health Service provides essential services and is predominantly dependent on the continued financial support of the State Government, particularly the Department of Health, and the Commonwealth funding via the National Health Reform Agreement (NHRA). The State of Victoria plans to continue Rochester and Elmore District Health Services operations and on that basis, the financial statements have been prepared on a going concern basis.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**Note 2 Funding delivery of our services**

Rochester and Elmore District Health Service's overall objective is to provide quality health service that supports and enhances the wellbeing of the community. Rochester and Elmore District Health Service is predominantly funded by grant funding for the provision of outputs. Rochester and Elmore District Health Service also receives income from the supply of services.

**Structure**

**2.1 Revenue and income from transactions**

**Note 2.1 Revenue and income from transactions**

	2025	2024
Note	\$'000	\$'000
Revenue from contracts with customers	15,573	12,358
Other sources of income	10,547	12,851
<b>Total revenue and income from transactions</b>	<b>26,120</b>	<b>25,209</b>

**Note 2.1(a) Revenue from contracts with customers**

	2025	2024
	\$'000	\$'000
Government grants (Commonwealth) - Operating	4,807	4,912
Patient and resident fees	2,773	2,377
Other revenue from operating activities	7,993	5,070
<b>Total revenue from contracts with customers</b>	<b>15,573</b>	<b>12,358</b>

**How we recognise revenue from contracts with customers**

**Government grants**

Revenue from government operating grants that are enforceable and contain sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15.

In contracts with customers, the 'customer' is the funding body, who is the party that promises funding in exchange for Rochester and Elmore District Health Service's goods or services. Rochester and Elmore District Health Service's funding bodies often direct that goods or services are to be provided to third party beneficiaries, including individuals or the community at large. In such instances, the customer remains the funding body that has funded the program or activity, however the delivery of goods or services to third party beneficiaries is a characteristic of the promised good or service being transferred to the funding body.

This policy applies to each of Rochester and Elmore District Health Service's revenue streams, with information detailed below relating to Rochester and Elmore District Health Service's material revenue streams:

Government grant	Performance obligation
Commonwealth Aged Care Funding	The performance obligations for Commonwealth Aged Care Funding are the number and mix of residents in the Aged Care facilities. Revenue is recognised at a point in time, which is when AIMS data is submitted monthly.

**Patient and resident fees**

Patient and resident fees are charges incurred by patients for services they receive. Patient and resident fees are recognised under AASB 15 at a point in time when the performance obligation, the provision of services, is satisfied, except where the patient and resident fees relate to accommodation charges. Accommodation charges are calculated daily and are recognised over time, to reflect the period accommodation is provided.

**Note 2.1(b) Other sources of income**

	2025	2024
Note	\$'000	\$'000
Government grants (State) - Operating	7,638	10,396
Government grants (State) - Capital	2,572	1,763
Assets received free of charge or for nominal consideration	337	692
<b>Total other sources of income</b>	<b>10,547</b>	<b>12,851</b>

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**How we recognise other sources of income**

**Government grants**

Rochester and Elmore District Health Service recognises income of not-for-profit entities under AASB 1058 where it has been earned under arrangements that are either not enforceable or linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that are not enforceable, is recognised when Rochester and Elmore District Health Service has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, Rochester and Elmore District Health Service recognises any related contributions by owners, increases in liabilities, decreases in assets or revenue (related amounts) in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004 *Contributions*
- revenue or contract liability arising from a contract with a customer, in accordance with AASB 15
- a lease liability in accordance with AASB 16 *Leases*
- a financial instrument, in accordance with AASB 9 *Financial Instruments*
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

**Capital grants**

Where Rochester and Elmore District Health Service receives a capital grant it recognises a liability, equal to the financial asset received less amounts recognised under other Australian Accounting Standards.

Income is recognised in accordance with AASB 1058 progressively as the asset is constructed which aligns with Rochester and Elmore District Health Service's obligation to construct the asset. The progressive percentage of costs incurred is used to recognise income, as this most accurately reflects the stage of completion.

**Note 2.1(c) Fair value of assets and services received free of charge or for nominal consideration**

	2025 \$'000	2024 \$'000
Department of Health – Long Service Leave (LSL)	81	76
Non-cash contributions from the Department of Health	255	97
Cash donations and gifts	1	519
<b>Total fair value of assets and services received free of charge or for nominal consideration</b>	<b>337</b>	<b>692</b>

**Non-cash contributions from the Department of Health**

The DH makes some payments on behalf of Rochester and Elmore District Health Service as follows:

Supplier	Description
Victorian Managed Insurance Authority	The Department of Health purchases non-medical indemnity insurance for Rochester and Elmore District Health Service which is paid directly to the Victorian Managed Insurance Authority. To record this contribution, such payments are recognised as income with a matching expense in the net result from transactions.
Department of Health	Long Service Leave (LSL) revenue is recognised upon finalisation of movements in LSL liability in line with the long service leave funding arrangements with the DH.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**Note 3 The cost of delivering our services**

This section provides an account of the expenses incurred by the health service in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with the provision of services are disclosed.

**Structure**

**3.1 Expenses incurred in the delivery of services**

**Note 3.1 Expenses incurred in the delivery of services**

	<b>2025</b>	<b>2024</b>
<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
Employee expenses	13,972	12,644
Other operating expenses	6,619	5,293
<b>Total expenses incurred in the delivery of services</b>	<b>20,591</b>	<b>17,937</b>

**Note 3.1(a) Employee expenses**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	11,112	10,489
Defined contribution superannuation expense	1,209	1,089
Agency expenses	1,464	839
Fee for service medical officer expenses	56	2
Workcover Premium	131	225
<b>Total employee expenses</b>	<b>13,972</b>	<b>12,644</b>

**How we recognise employee expenses**

Employee expenses include salaries and wages, fringe benefits tax, leave entitlements, termination payments, WorkCover payments and agency expenses.

The amount recognised in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

The defined benefit plan(s) provides benefits based on year of service and final average salary. The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans. Rochester and Elmore District Health Service does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead Rochester and Elmore District Health Service accounts for contributions to these plans as if they were defined contribution plans.

The Department of Treasury and Finance discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**Note 3.1(b) Employee related provisions**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current provisions for employee benefits</b>		
Accrued days off	29	23
Annual leave	1,323	1,216
Long service leave	1,516	1,447
Provision for on-costs	360	342
<b>Total current provisions for employee benefits</b>	<b>3,228</b>	<b>3,027</b>
<b>Non-current provisions for employee benefits</b>		
Long service leave	233	148
Provision for on-costs	28	21
<b>Total non-current provisions for employee benefits</b>	<b>261</b>	<b>169</b>
<b>Total provisions for employee benefits</b>	<b>3,489</b>	<b>3,196</b>

**How we recognise employee-related provisions**

Employee related provisions are accrued for employees in respect of accrued days off, annual leave and long service leave, for services rendered to the reporting date.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Statement of Comprehensive Income as sick leave is taken.

**Annual leave and accrued days off**

Liabilities for annual leave and accrued days off are recognised in the provision for employee benefits as current liabilities because Rochester and Elmore District Health Service does not have an unconditional right to defer settlement of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for annual leave and accrued days off are measured at:

- nominal value – if Rochester and Elmore District Health Service expects to wholly settle within 12 months or
- present value – if Rochester and Elmore District Health Service does not expect to wholly settle within 12 months.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**Long service leave**

The liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability even where Rochester and Elmore District Health Service does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. An unconditional right arises after a qualifying period.

The components of this current LSL liability are measured at:

- nominal value – if Rochester and Elmore District Health Service expects to wholly settle within 12 months or
- present value – if Rochester and Elmore District Health Service does not expect to wholly settle within 12 months.

Conditional LSL is measured at present value and is disclosed as a non-current liability. There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

**Provisions**

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

**Note 3.1(c) Other expenses**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Other operating expenses</b>		
Drug supplies	31	13
Medical and surgical supplies (including Prostheses)	123	81
Other supplies and consumables	1,460	2,265
Fuel, light, power and water	183	91
Repairs and maintenance	426	109
Medical indemnity insurance	33	37
External recruitment	340	31
Minor asset replacement and additions	871	57
Software and license expenses	629	556
Other administration expenses	2,523	2,054
<b>Total other operating expenses</b>	<b>6,619</b>	<b>5,293</b>

**How we recognise other operating expenses**

**Expense recognition**

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

**Supplies and consumables**

Supplies and consumable costs are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

**Other operating expenses**

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

The DH also makes certain payments on behalf of Rochester and Elmore District Health Service. These amounts have been brought to account in determining the operating result for the year, by recording them as revenue (Refer to Note 2.1(c)) and recording a corresponding expense.

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**Note 4 Key assets to support service delivery**

Rochester and Elmore District Health Service controls infrastructure and other investments that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to Rochester and Elmore District Health Service to be utilised for delivery of services.

**Structure**

**4.1 Property, plant and equipment**

**4.2 Depreciation**

**Note 4.1 Property, plant and equipment**

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Land at fair value	360	360	-	-	360	360
Landscaping at fair value	210	210	(5)	-	205	210
Buildings at fair value	33,993	29,487	(1,942)	-	32,051	29,487
Works in progress at cost	102	2,397	-	-	102	2,397
Plant, equipment and vehicles at fair value	7,534	6,504	(4,667)	(4,087)	2,867	2,417
<b>Total property, plant and equipment</b>	<b>42,199</b>	<b>38,958</b>	<b>(6,614)</b>	<b>(4,087)</b>	<b>35,585</b>	<b>34,871</b>

**How we recognise property, plant and equipment**

Items of property, plant and equipment are initially measured at cost, and are subsequently measured at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, being far below the fair value of the asset, the deemed cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

**Note 4.1(a) Reconciliations of the carrying amounts of each class of asset**

	Land \$'000	Landscaping \$'000	Buildings \$'000	Works in progress \$'000	Plant, equipment and vehicles \$'000	Total \$'000
<b>Balance at 1 July 2024</b>	<b>360</b>	<b>210</b>	<b>29,487</b>	<b>2,397</b>	<b>2,417</b>	<b>34,871</b>
Additions	-	-	-	2,222	1,029	3,251
Disposals	-	-	-	(11)	-	(11)
Net transfers between classes	-	-	4,506	(4,506)	-	-
Depreciation	-	(5)	(1,942)	-	(579)	(2,526)
<b>Balance at 30 June 2025</b>	<b>360</b>	<b>205</b>	<b>32,051</b>	<b>102</b>	<b>2,867</b>	<b>35,585</b>

Fair value assessments have been performed for all classes of assets in this purpose group and the decision was made that the movements were not material (less than or equal to 10%). As such, an independent revaluation was not required per FRD 103. In accordance with FRD 103, Rochester and Elmore District Health Service has elected to apply the practical expedient in FRD 103 Non-Financial Physical Assets and has therefore not applied the amendments to AASB 13 *Fair Value Measurement*. The amendments to AASB 13 will be applied at the next scheduled independent revaluation, which is planned to be undertaken in 2029 in accordance with Rochester and Elmore District Health Service's revaluation cycle, or at an interim revaluation, whichever comes first.

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**Note 4.1(b) Right-of-use assets**

The following tables are right-of-use assets included in the property, plant and equipment balance, presented by subsets of plant and equipment.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Plant, equipment and vehicles at fair value	971	971	(326)	(157)	645	814
<b>Total right-of-use assets</b>	<b>971</b>	<b>971</b>	<b>(326)</b>	<b>(157)</b>	<b>645</b>	<b>814</b>

**Reconciliations of the carrying amounts of each class of asset**

	Plant, equipment and vehicles \$'000	Total \$'000
<b>Balance at 1 July 2024</b>	<b>814</b>	<b>814</b>
Depreciation	(169)	(169)
<b>Balance at 30 June 2025</b>	<b>645</b>	<b>645</b>

**How we recognise right-of-use assets**

**Initial recognition**

When Rochester and Elmore District Health Service enters a contract, which provides the health services with the right to control the use of an identified asset for a period of time in exchange for payment, this contract is considered a lease.

Unless the lease is considered a short-term lease or a lease of a low-value asset (refer to Note 6.1 for further information) the contract gives rise to a right-of-use asset and corresponding lease liability.

The right-of-use asset is initially measured at cost and comprises the initial measurement of the corresponding lease liability, adjusted for:

- any lease payments made at or before the commencement date
- any initial direct costs incurred and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

**Subsequent measurement**

Right-of-use assets are subsequently measured at fair value, with the exception of right-of-use assets arising from leases with significantly below-market terms and conditions, which are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses where applicable.

Rochester and Elmore District Health Service has applied the exemption permitted under FRD 104 *Leases*, consistent with the optional relief in AASB 16.Aus25.1. Under this exemption, Rochester and Elmore District Health Service is not required to apply fair value measurement requirements to right-of-use assets arising from leases with significantly below-market terms and conditions, where those leases are entered into principally to enable the entity to further its objectives.

Right-of-use assets are also adjusted for certain remeasurements of the lease liability (for example, when a variable lease payment based on an index or rate becomes effective).

Further information regarding fair value measurement is disclosed in Note 7.3.

**Note 4.1(c) Impairment of property, plant and equipment**

The recoverable amount of the primarily non-financial physical assets of Rochester and Elmore District Health Service, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 *Impairment of Assets* does not apply to such assets that are regularly revalued.

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**Note 4.2 Depreciation**

**How we recognise depreciation**

All buildings, plant and equipment and other non-financial physical assets (excluding items under assets held for sale, land and investment properties) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value over its estimated useful life.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the health service anticipates exercising a purchase option, the specific right-of-use asset is depreciated over the useful life of the underlying asset.

**Useful lives of non-current assets**

The following table indicates the expected useful lives of non-current assets on which the depreciation charges are based.

	<b>2025</b>	<b>2024</b>
Buildings	7 to 40 years	15 to 80 years
Plant, Equipment and Vehicles (inc Leased Assets)	2 to 50 years	2 to 50 years

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**Note 5 Other assets and liabilities**

This section sets out those assets and liabilities that arose from Rochester and Elmore District Health Service's operations.

**Structure**

**5.1 Receivables**

**5.2 Impairment of financial assets**

**5.3 Payables**

**5.4 Contract liabilities**

**5.5 Other liabilities**

**Note 5.1 Receivables**

	2025	2024
Note	\$'000	\$'000
<b>Current receivables</b>		
<b>Contractual</b>		
Inter hospital debtors	46	63
Trade receivables	70	60
Patient fees	4	15
Allowance for impairment losses	(28)	(22)
Accrued revenue	4,529	2,394
<b>Total contractual receivables</b>	<b>4,621</b>	<b>2,509</b>
<b>Statutory</b>		
GST receivable	350	238
<b>Total statutory receivables</b>	<b>350</b>	<b>238</b>
<b>Total current receivables</b>	<b>4,971</b>	<b>2,748</b>
<b>Non-current receivables</b>		
<b>Contractual</b>		
Long service leave - Department of Health	880	795
<b>Total contractual receivables</b>	<b>880</b>	<b>795</b>
<b>Total non-current receivables</b>	<b>880</b>	<b>795</b>
<b>Total receivables</b>	<b>5,851</b>	<b>3,543</b>
<i>(i) Financial assets classified as receivables</i>		
Total receivables	5,851	3,543
GST receivable	(350)	(238)
Total financial assets classified as receivables	<b>5,501</b>	<b>3,304</b>

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**How we recognise receivables**

Receivables consist of:

- **Contractual receivables**, including debtors that relate to goods and services. These receivables are classified as financial instruments and are categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. The health service holds contractual receivables with the objective to collect the contractual cash flows and therefore they are subsequently measured at amortised cost using the effective interest method, less any impairment.

- **Statutory receivables**, including Goods and Services Tax (GST) input tax credits that are recoverable. Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments for disclosure purposes. The health service applies AASB 9 for initial measurement of the statutory receivables and as a result, statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

**Note 5.2 Impairment of financial assets**

Note	2025 \$'000	2024 \$'000
Impairment loss on contractual receivables		
From transactions	(28)	(22)
	<b>(28)</b>	<b>(22)</b>

**How we recognise impairment of financial assets**

Rochester and Elmore District Health Service records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's expected credit loss approach. Rochester and Elmore District Health Service's contractual receivables and statutory receivables are subject to this impairment assessment. Contract assets recognised are also subject to the impairment requirement of AASB 9, however contract assets are immaterial.

Rochester and Elmore District Health Service applies the simplified approach, which requires the loss allowances to always be measured at an amount equal to lifetime expected credit losses. The loss allowance is based on assumptions about risk of default and expected loss rates.

Contractual receivables at amortised cost

Rochester and Elmore District Health Service has grouped contractual receivables on shared credit risk characteristics and days past due and has selected the expected credit loss rate based on Rochester and Elmore District Health Service's past history, existing market conditions, as well as forward looking estimates at the end of the financial year.

The expected credit loss rates applied at 30 June 2025 vary from 2% for contractual receivables that are current to 50% for contractual receivables that are more than 90 days past due (30 June 2024: from 2% to 50%).

Statutory receivables at amortised cost

The statutory receivables are considered to have low credit risk, taking into account the counterparty's credit rating, risk of default and capacity to meet contractual cash flow obligations in the near term. As a result, the loss allowance recognised for these financial assets during the period was limited to 12 months of expected credit losses. No loss allowance has been recognised.

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**Note 5.3 Payables**

	2025	2024
Note	\$'000	\$'000
<b>Current payables</b>		
<b>Contractual</b>		
Trade creditors	71	7
Accrued salaries and wages	568	398
Accrued expenses	338	144
Deferred capital grant income	-	788
Amounts payable to governments and agencies	99	18
Other	82	41
<b>Total contractual payables</b>	<b>1,158</b>	<b>1,395</b>
<b>Statutory</b>		
GST payable	22	10
<b>Total statutory payables</b>	<b>22</b>	<b>10</b>
<b>Total current payables</b>	<b>1,180</b>	<b>1,405</b>
<b>Total payables</b>	<b>1,180</b>	<b>1,405</b>
<i>(i) Financial liabilities classified as payables</i>		
Total payables	1,180	1,405
Deferred grant income	-	(788)
GST payable	(22)	(10)
<b>Total financial liabilities classified as payables</b>	<b>1,158</b>	<b>607</b>

**How we recognise payables**

Payables consist of:

- **Contractual payables**, including payables that relate to the purchase of goods and services. These payables are classified as financial instruments and measured at amortised cost. Accounts payable and salaries and wages payable represent liabilities for goods and services provided to Rochester and Elmore District Health Service prior to the end of the financial year that are unpaid.
- **Statutory payables**, including Goods and Services Tax (GST) payable are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

The normal credit terms for accounts payable are usually Net 60 days.

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**Note 5.3(a) Movement in deferred capital grant income**

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Opening balance of deferred capital grant income</b>	788	2,087
Grant consideration for capital works received during the year	1,760	440
Deferred capital grant income recognised as income due to completion of capital works	(2,548)	(1,739)
<b>Closing balance of deferred capital grant income</b>	<b>-</b>	<b>788</b>

**How we recognise deferred capital grant income**

Grant consideration was received from the Department of Health for the Nursing Home/Hostel Redevelopment project.

Capital grant income is recognised progressively as the asset is constructed, since this is the time when Rochester and Elmore District Health Service satisfies its obligations. The progressive percentage of costs incurred is used to recognise income because this most closely reflects the percentage of completion of the building works. As a result, Rochester and Elmore District Health Service has deferred recognition of a portion of the grant consideration received as a liability for the outstanding obligations.

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**Note 5.4 Other liabilities**

	2025	2024
Note	\$'000	\$'000
<b>Current monies held in trust</b>		
Refundable accommodation deposits	4,204	2,327
<b>Total current monies held in trust</b>	<b>4,204</b>	<b>2,327</b>
<b>Total other liabilities</b>	<b>4,204</b>	<b>2,327</b>
<b>* Represented by:</b>		
- Cash assets	6.2 4,284	2,327
	<b>4,284</b>	<b>2,327</b>

**How we recognise other liabilities**

**Refundable Accommodation Deposit (RAD)/Accommodation Bond liabilities**

RADs/accommodation bonds are non-interest-bearing deposits made by some aged care residents to Rochester and Elmore District Health Service upon admission. These deposits are liabilities which fall due and payable when the resident leaves the home.

RAD/accommodation bond liabilities are recorded at an amount equal to the proceeds received, net of retention and any other amounts deducted from the RAD/accommodation bond in accordance with the *Aged Care Act 1997*.

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**Note 6 How we finance our operations**

This section provides information on the sources of finance utilised by Rochester and Elmore District Health Service during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of Rochester and Elmore District Health Service.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Note 7.1 provides additional, specific financial instrument disclosures.

**Structure**

**6.1 Borrowings**

**6.2 Cash and cash equivalents**

**6.3 Commitments for expenditure**

**Note 6.1 Borrowings**

	2025	2024
Note	\$'000	\$'000
<b>Current borrowings</b>		
Lease liability	230	251
Advances from government	51	51
<b>Total current borrowings</b>	<b>281</b>	<b>303</b>
<b>Non-current borrowings</b>		
Lease liability	417	564
Advances from government	-	47
<b>Total non-current borrowings</b>	<b>417</b>	<b>611</b>
<b>Total borrowings</b>	<b>698</b>	<b>914</b>

**How we recognise borrowings**

Borrowings refer to other funds raised through lease liabilities and other interest-bearing arrangements.

Borrowings are classified as financial instruments. Interest bearing liabilities are classified at amortised cost and recognised at the fair value of the consideration received directly attributable to transaction costs and subsequently measured at amortised cost using the effective interest method.

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**Terms and conditions of lease liabilities**

		Maturity Dates							
		Weighted average interest rate	Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2025	Note	(%)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	6.1	1.30%	647	647	96	26	115	410	
<b>Total Financial Liabilities</b>			<b>647</b>	<b>647</b>	<b>96</b>	<b>26</b>	<b>115</b>	<b>410</b>	-

		Maturity Dates							
		Weighted average interest rate	Carrying Amount	Nominal Amount	Less than 1 Month	1-3 Months	3 months - 1 Year	1-5 Years	Over 5 years
30 June 2024	Note	(%)	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	6.1	3.71%	815	815	-	-	251	564	
Advances from government	6.1	-	98	98			51	47	
<b>Total Financial Liabilities</b>			<b>913</b>	<b>913</b>	<b>-</b>	<b>-</b>	<b>303</b>	<b>611</b>	<b>-</b>

**Interest expense**

	2025 \$'000	2024 \$'000
Interest on lease liabilities	15	15
<b>Total interest expense</b>	<b>15</b>	<b>15</b>

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**Note 6.1(a) Lease liabilities**

Rochester and Elmore District Health Service's lease liabilities are summarised below:

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current lease liabilities</b>		
Lease liability	230	251
<b>Total current lease liabilities</b>	<b>230</b>	<b>251</b>
<b>Non-current lease liabilities</b>		
Lease liability	417	564
<b>Total non-current lease liabilities</b>	<b>417</b>	<b>564</b>
<b>Total lease liabilities</b>	<b>647</b>	<b>815</b>

The following table sets out the maturity analysis of lease liabilities, showing the undiscounted lease payments to be made after the reporting date.

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Not longer than one year	236	260
Longer than one year but not longer than five years	419	572
<b>Minimum future lease liability</b>	<b>655</b>	<b>832</b>
Less unexpired finance expenses	(8)	(17)
<b>Present value of lease liability</b>	<b>647</b>	<b>815</b>

**How we recognise lease liabilities**

A lease is defined as a contract, or part of a contract, that conveys the right for Rochester and Elmore District Health Service to use an asset for a period of time in exchange for payment.

To apply this definition, Rochester and Elmore District Health Service ensures the contract meets the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Rochester and Elmore District Health Service and for which the supplier does not have substantive substitution rights
- Rochester and Elmore District Health Service has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and Rochester and Elmore District Health Service has the right to direct the use of the identified asset throughout the period of use; and
- Rochester and Elmore District Health Service has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Rochester and Elmore District Health Service's lease arrangements consist of the following:

<b>Type of asset leased</b>	<b>Lease term</b>
Leased vehicles	1 to 3 years

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All leases are recognised on the balance sheet, with the exception of low value leases (less than \$10,000 AUD) and short-term leases of less than 12 months. Rochester and Elmore District Health Service has elected to apply the practical expedients for short-term leases and leases of low-value assets. As a result, no right-of-use asset or lease liability is recognised for these leases; rather, lease payments are recognised as an expense on a straight-line basis over the lease term, within “other operating expenses”.

The following low value and short term lease payments are recognised in profit or loss:

	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>
Expenses relating to leases of low-value assets	33	35
<b>Total amounts recognised as expense</b>	<b>33</b>	<b>35</b>

**Initial measurement**

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Rochester and Elmore District Health Services incremental borrowing rate. Our lease liability has been discounted by rates of between 1.25% and 2.25%.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments) less any lease incentive receivable
- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee, and
- payments arising from purchase and termination options reasonably certain to be exercised.

**Subsequent measurement**

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in the substance of fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

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**Note 6.2 Cash and Cash Equivalents**

Note	2025 \$'000	2024 \$'000
Cash on hand (excluding monies held in trust)	1	1
Cash at Bank (excluding Monies held in trust)	2,313	3,386
Cash at Bank - CBS (excluding monies held in trust)	2,312	1,463
<b>Total cash held for operations</b>	<b>4,626</b>	<b>4,850</b>
Cash at Bank - CBS (Monies held in trust)	4,284	2,327
<b>Total cash held as monies in trust</b>	<b>4,284</b>	<b>2,327</b>
<b>Total cash and cash equivalents</b>	<b>8,910</b>	<b>7,177</b>

**Note 6.3 Commitments for expenditure**

There are no commitments for expenditure to be disclosed as at 30 June 2025.

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**Note 7 Financial instruments, contingencies and valuation judgements**

Rochester and Elmore District Health Service is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the health service is related mainly to fair value determination.

**Structure**

***7.1 Financial instruments***

***7.2 Contingent assets and contingent liabilities***

***7.3 Fair value determination***

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**Note 7.1 Financial instruments**

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Rochester and Elmore District Health Service's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example, taxes, fines and penalties). Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

		Carrying amount	Net gain/(loss)	Total interest income/(expense)	Fee income/(expense)	Impairment loss
	Note	\$'000	\$'000	\$'000	\$'000	\$'000
<b>30 June 2025</b>						
<b>Financial assets at amortised cost</b>						
Cash and cash equivalents	6.2	8,910	-	179	-	-
Receivables	5.1	5,501	-	-	-	(28)
<b>Total financial assets<sup>i</sup></b>		<b>14,411</b>	<b>-</b>	<b>179</b>	<b>-</b>	<b>(28)</b>
<b>Financial liabilities at amortised cost</b>						
Payables	5.3	1,158	-	-	-	-
Borrowings	6.1	698	-	15	-	-
Other financial liabilities - Refundable Accommodation Deposits	5.4	4,204	-	-	-	-
<b>Total financial liabilities<sup>i</sup></b>		<b>6,060</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>
<b>30 June 2024</b>						
<b>Financial assets at amortised cost</b>						
Cash and cash equivalents	6.2	7,177	-	156	-	-
Receivables	5.1	3,304	-	-	-	(22)
<b>Total financial assets<sup>i</sup></b>		<b>10,481</b>	<b>-</b>	<b>156</b>	<b>-</b>	<b>(22)</b>
<b>Financial liabilities at amortised cost</b>						
Payables	5.3	607	-	-	-	-
Borrowings	6.1	914	-	15	-	-
Other financial liabilities - Refundable Accommodation Deposits	5.4	2,327	-	-	-	-
<b>Total financial liabilities<sup>i</sup></b>		<b>3,848</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>

<sup>i</sup>The carrying amount excludes statutory receivables (i.e. GST receivable) and statutory payables (i.e. GST payable).

**How we categorise financial instruments**

Financial assets at amortised cost

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by Rochester and Elmore District Health Service solely to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specific dates.

These assets are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less any impairment.

Rochester and Elmore District Health Service recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

**Rochester and Elmore District Health Service**  
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**Categories of financial liabilities**

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, where they are not held at fair value through net result.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in net result over the relevant period. The effective interest is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Rochester and Elmore District Health Service recognises the following liabilities in this category:

- payables (excluding statutory payables and contract liabilities)
- borrowings and
- other liabilities (including monies held in trust).

**Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- Rochester and Elmore District Health Service retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement or
- Rochester and Elmore District Health Service has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where Rochester and Elmore District Health Service has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Rochester and Elmore District Health Service's continuing involvement in the asset.

**Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

**Reclassification of financial instruments**

A financial asset is required to be reclassified between amortised cost, fair value through net result and fair value through other comprehensive income when, and only when, Rochester and Elmore District Health Service's business model for managing its financial assets has changed such that its previous model would no longer apply.

A financial liability reclassification is not permitted.

**Note 7.2 Contingent assets and contingent liabilities**

At balance date, the Board are not aware of any contingent assets or liabilities.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
For the Financial Year Ended 30 June 2025**

**Note 7.3 Fair value determination**

**How we measure fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Property, plant and equipment, and
- Right-of-use assets.

In addition, the fair value of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure.

**Valuation hierarchy**

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Rochester and Elmore District Health Service determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There have been no transfers between levels during the period.

Rochester and Elmore District Health Service monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required. The Valuer-General Victoria (VGV) is Rochester and Elmore District Health Service's independent valuation agency for property, plant and equipment.

**Fair value determination: non-financial physical assets**

*AASB 2010-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian Implementation Guidance for Not-for-Profit Public Sector Entities*. Appendix F explains and illustrates the application of the principals in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

The last scheduled full independent valuation of all of Rochester and Elmore District Health Service's non-financial physical assets was performed by VGV on 30 June 2024. The annual fair value assessment for 30 June 2025 using VGV indices does not identify material changes in value. In accordance with FRD 103, Rochester and Elmore District Health Service will reflect Appendix F in its next scheduled formal revaluation on 30 June 2029 or interim revaluation process (whichever is earlier). All annual fair value assessments thereafter will continue compliance with Appendix F.

**Rochester and Elmore District Health Service**  
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For all assets measured at fair value, Rochester and Elmore District Health Service considers the current use as its highest and best use.

Specialised land and specialised buildings

Specialised land includes Crown Land which is measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset.

During the reporting period, Rochester and Elmore District Health Service held Crown Land. The nature of this asset means that there are certain limitations and restrictions imposed on its use and/or disposal that may impact their fair value.

The market approach is also used for specialised land although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the assets being valued.

The CSO adjustment reflects the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement and considers the use of the asset that is physically possible, legally permissible and financially feasible.

For Rochester and Elmore District Health Service, the current replacement cost method is used for the majority of specialised buildings, adjusting for the associated depreciation.

Vehicles

Vehicles are valued using the current replacement cost method. Rochester and Elmore District Health Service acquires new vehicles and at times disposes of them before completion of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in Rochester and Elmore District Health Services who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Furniture, fittings, plant and equipment

Furniture, fittings, plant and equipment (including medical equipment, computers and communication equipment) are held at fair value. When plant and equipment is specialised in use, such that it is rarely sold, fair value is determined using the current replacement cost method.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
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**Significant assumptions**

<b>Asset class</b>	<b>Valuation technique</b>	<b>Significant assumption</b>	<b>Range (weighted average)<sup>(i)</sup></b>
Specialised land	Market approach	Community Service Obligations adjustment	25% <sup>(ii)</sup>
Specialised buildings	Current replacement cost approach	Cost per square metre Useful life	\$580 - \$4,470/m <sup>2</sup> (\$4,425) 7 - 40 years (20 years)
Vehicles	Current replacement cost	Useful life	2 - 10 years (3 years)
Plant, equipment, furniture and fittings	Current replacement cost	Useful life	2 - 50 years (9 years)

<sup>(i)</sup> Illustrations on the valuation techniques and significant assumptions and unobservable inputs are indicate and should not be directly used without consultation with the health services independent valuer.

<sup>(ii)</sup> CSO adjustments of 25% were applied to reduce the market approach value for Rochester and Elmore District Health Service's specialised land.

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Notes to the Financial Statements  
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**Note 8 Other disclosures**

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

**Structure**

***8.1 Responsible persons disclosures***

***8.2 Remuneration of executives***

***8.3 Related parties***

***8.4 Remuneration of auditors***

***8.5 Events occurring after the balance sheet date***

***8.6 Joint arrangements***

**Rochester and Elmore District Health Service**  
**Notes to the Financial Statements**  
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**Note 8.1 Responsible persons disclosures**

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons for the reporting period.

	<b>Period</b>
The Honourable Mary-Anne Thomas MP:	
Minister for Health	1 July 2024 to 30 June 2025
Minister for Ambulance Services	1 July 2024 to 30 June 2025
Minister for Health Infrastructure	1 July 2024 to 19 December 2024
The Honourable Ingrid Stitt MP:	
Minister for Mental Health	1 July 2024 to 30 June 2025
Minister for Ageing	1 July 2024 to 30 June 2025
Minister for Multicultural Affairs	1 July 2024 to 30 June 2025
The Honourable Lizzy Blandthorn MP:	
Minister for Children	1 July 2024 to 30 June 2025
Minister for Disability	1 July 2024 to 30 June 2025
The Honourable Melissa Horne MP:	
Minister for Health Infrastructure	19 December to 30 June 2025
<b>Governing Boards</b>	
Mr Christopher White (Chairperson)	1 July 2024 - 30 Jun 2025
Mr Brad Drust	1 July 2024 - 30 Jun 2025
Ms Anne-Marie Kelly	1 July 2024 - 30 Jun 2025
Ms Emma Millard	1 July 2024 - 30 Jun 2025
Ms Narelle Lindsay	12 March 2025 - 30 Jun 2025
Mr David Rosaia	1 July 2024 - 30 Jun 2025
Mr Jim Brooks	1 July 2024 - 30 Jun 2025
Ms Melissa Silk	1 July 2024 - 30 Jun 2025
Ms Jenna Matthews	12 March 2025 - 30 Jun 2025
<b>Accountable Officers</b>	
Mr Darren Clark	1 July 2024 - 10 November 2024
Ms Mary Manescu	11 November 2024 - 30 Jun 2025

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
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**Remuneration of Responsible Persons**

The number of Responsible Persons are shown in their relevant income bands:

<b>Income Band</b>	<b>2025 No</b>	<b>2024 No</b>
\$1-\$9,999	10	8
\$10,000-\$19,999	-	1
\$120,000-\$129,999	1	-
\$160,000-\$169,999	1	-
\$290,000-\$299,999	-	1
<b>Total Numbers</b>	<b>12</b>	<b>10</b>

<b>Total remuneration received or due and receivable by Responsible Persons from the reporting entity amounted to:</b>	<b>2025 \$'000</b>	<b>2024 \$'000</b>
	<b>329</b>	<b>351</b>

Amounts relating to Responsible Ministers are reported within the State's Annual Financial Report.

**Note 8.2 Remuneration of executives**

The number of executive officers, other than Ministers and the Accountable Officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

**Remuneration of executives officers  
(including Key Management Personnel disclosed in Note 8.3)**

	<b>Total Remuneration</b>	
	<b>2025 \$'000</b>	<b>2024 \$'000</b>
Total remuneration <sup>i</sup>	181	189
Total number of executives	1	1
Total annualised employee equivalent <sup>ii</sup>	1.0	1.0

<sup>i</sup> The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of Rochester and Elmore District Health Services under AASB 124 *Related Party Disclosures* and are also reported within Note 8.3 Related Parties.

<sup>ii</sup> Annualised employee equivalent is based on working 38 ordinary hours per week over the reporting period.

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
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**Note 8.3 Related Parties**

The Rochester and Elmore District Health Service is a wholly owned and controlled entity of the State of Victoria. Related parties of the health service include:

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members
- jointly controlled operations – the Loddon Mallee Rural Health Alliance; and
- all health services and public sector entities that are controlled and consolidated into the State of Victoria financial statements.

**Significant transactions with government related entities**

The Rochester and Elmore District Health Service received funding from the DH of \$10.2m (2024: \$12.3m) and indirect contributions of \$336k (2024: \$163k). Balances outstanding as at 30 June 2025 are nil (2024: nil).

Expenses incurred by Rochester and Elmore District Health Service in delivering services are in accordance with HealthShare Victoria requirements. Goods and services including procurement, diagnostics, patient meals and multi-site operational support are provided by other Victorian Health Service Providers on commercial terms.

Professional medical indemnity insurance and other insurance products are obtained from the Victorian Managed Insurance Authority.

The Standing Directions of the Minister for Finance require Rochester and Elmore District Health Service to hold cash (in excess of working capital) in accordance with the State of Victoria's centralised banking arrangements. All borrowings are required to be sourced from Treasury Corporation Victoria unless an exemption has been approved by the Minister for Health and the Treasurer.

**Key management personnel**

KMPs are those people with the authority and responsibility for planning, directing and controlling the activities of the Rochester and Elmore District Health Service, directly or indirectly.

The Board of Directors and the Executive Directors of the Rochester and Elmore District Health Service are deemed to be KMPs. This includes the following:

<b>Entity</b>	<b>KMPs</b>	<b>Position Title</b>
Rochester and Elmore District Health Service	Mr Christopher White	Chair of the Board
Rochester and Elmore District Health Service	Mr Jim Brooks	Chair of Audit & Risk
Rochester and Elmore District Health Service	Mr Brad Drust	Board Member
Rochester and Elmore District Health Service	Ms Anne-Marie Kelly	Board Member
Rochester and Elmore District Health Service	Ms Emma Millard	Board Member
Rochester and Elmore District Health Service	Ms Narelle Lindsay	Board Member
Rochester and Elmore District Health Service	Mr David Rosaia	Board Member
Rochester and Elmore District Health Service	Ms Melissa Silk	Board Member
Rochester and Elmore District Health Service	Ms Jenna Matthews	Board Member
Rochester and Elmore District Health Service	Ms Mary Manescu	Chief Executive Officer
Rochester and Elmore District Health Service	Mr Darren Clark	Acting Chief Executive Officer
Rochester and Elmore District Health Service	Mrs Dorothy Stone	Director of Clinical Services

**Rochester and Elmore District Health Service  
Notes to the Financial Statements  
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**Remuneration of key management personnel**

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Report.

	<b>2025 \$'000</b>	<b>2024 \$'000</b>
Total compensation - KMPs <sup>i</sup>	511	540

<sup>i</sup> KMPs are also reported in Note 8.2 Responsible Persons or Note 8.3 Remuneration of Executives.

**Transactions with KMPs and other related parties**

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the HealthShare Victoria and Victorian Government Procurement Board requirements.

Outside of normal citizen type transactions with the Rochester and Elmore District Health Service, there were no related party transactions that involved key management personnel, their close family members or their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties. There were no related party transactions with Cabinet Ministers required to be disclosed in 2025 (2024: none).

There were no related party transactions required to be disclosed for the Rochester and Elmore District Health Service Board of Directors, Chief Executive Officer and Executive Directors in 2025 (2024: none).

**Note 8.4 Remuneration of Auditors**

	<b>2025 \$'000</b>	<b>2024 \$'000</b>
<b>Victorian Auditor-General's Office</b>		
Audit of the financial statements	27	27
<b>Total remuneration of auditors</b>	<b>27</b>	<b>27</b>

**Note 8.5 Events occurring after the balance sheet date**

There are no events occurring after the Balance Sheet date.

**Rochester and Elmore District Health Service  
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**Note 8.6 Joint arrangements**

	Principal Activity	Ownership Interest	
		2025	2024
		%	%
Loddon Mallee Rural Health Alliance	Information Technology	4.64	4.55

For the year ended 30 June 2025, Rochester and Elmore District Health Service's share of the joint operations financials was:

	2025 \$'000	2024 \$'000
Total revenue and income	823	1,206
Total expenses	967	1,175
Total net result	(144)	32
Total other economic flows	-	-
Comprehensive result for the year	(144)	32
Total assets	1,026	1,433
Total liabilities	729	851
Total equity	297	583

**Contingent liabilities and capital commitments**

There are no known contingent liabilities or capital commitments held by the jointly controlled operations at balance date. Rochester and Elmore District Health Service is involved in joint arrangements where control and decision-making are shared with other parties. Rochester and Elmore District Health Service has determined the entities detailed in the above table are joint operations and therefore recognises its share of assets, liabilities, revenues and expenses in accordance with its rights and obligations under the arrangement.

# Rochester and Elmore District Health Service



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